# Pope as Literary Superstar? The Book's in Hand

By Alan Friedman nal Herold Tribune

PARIS - Call it a publisher's dream. Or better still, the answer to every agent's prayers.

The Pope has written a book, the first by a sitting pontiff that is not a theological treatise but is to be marketed as a potential best-seller.

Earlier this year, in utmost secrecy, the Vatican gave world rights to the book to Leonardo Mondadori, chairman of the eponymous Italian publishing house.

The advance paid by Mr. Mondadori, who is a devout Catholic, was zero. This is because all royalties on the Pope's book, which is likely to be translated into more than 20 languages, will go to charity.

Those involved calculate the book could sell more than 10 million copies worldwide, meaning that revenues from hardcover and paperback global retail sales would come to more than \$100 million In late March, with Pope John Paul II still completing

his hand-written manuscript in Polish, Mr. Mondadori contacted the New York superagent Mort Janklow to sell world English rights, And on Tuesday night Mr. Janklow sold those rights to Random House for an advance estimated to be more than \$6 million.

For the 74-year-old Pope, the book of essays—
"Crossing the Threshold of Hope"— is a chance to
convey his innermost thoughts about life and religion to
readers around the words previously published
works include catechisms, plays previously published
works include catechisms, plays previously published Krakow, and a collection of poetry.

For the publishers and agents, handling a book written by the spiritual leader of more than 900 million Catholics is commercial heaven.

Mr. Jankiow, who said he was "flattered" to be asked to become the Pope's agent, is forecasting big sales. "I think this book will see the kinds of numbers that are stratospheric," he said in an interview.

Indirectly, the deal will also bring prestige to Prime

Minister Silvio Berlusconi of Italy, who still controls 47 percent of Mondadori, having last month sold majority control of the Milan-based publisher in an international

The royalties will be handled through a special account being set up at the Istituto per le Opere di Religione, the

Mr. Mondadori signed the contract on June 30 with Joaquin Navarro-Valls, the Vatican spokesman who was acting on the Pope's behalf. He received the 35-chapter volume, which will make for a 230-page book when it is published this fall, only after it had been translated by the atican from Polish to Italian.

Mr. Janklow, who is believed to be getting his usual 15 percent commission, refused to disclose the precise advance he had won from Random House, which will publish the book in the United States under its Alfred A. Knopf imprint, and in Britain, Australia and New Zea-

See POPE, Page 6



RWANDAN RUINS - A woman sitting Wednesday among Kigali's wreckage. She is one of hundreds of thousands of refugees challenging the resources of relief agencies. Aid officials see a crisis developing as the Hutu refugee stream grows before the advancing army of Tutsi-dominated rebels. Page 2.

# Critical Point Is Nearing for Peace Talks With Arabs

By Clyde Haberman

New York Times Service
JERUSALEM — While attention has been focused largely on the Pales-tinians and the start of their self-rule, peace talks between Israel and its Arab neighbors are at a potentially decisive stage on more fronts than at any moment since they began three

years ago.

This week, Israel began a new round of negotiations with the Palestine Liberation Organization. In a few days, it will enter a new phase in its dialogue with Jordan, and at the same time it also will welcome the U.S.

#### **NEWS ANALYSIS**

secretary of state, who will try to breathe fresh life into stalled talks with Syria. Wherever the Syrians go, Lebanon can be expected to follow.

Some Israeli officials say that these efforts will, as they develop over the next few months, determine whether Middle East peace negotiators ulti-mately succeed or fail. And though others caution against such do-or-die forecasts, they agree that the multi-track talks have reached a critical

One reason, they say, is the reality of Israel's political calendar, Having celebrated its second anniversary Wednesday, the Labor-led govern-ment of Prime Minister Yitzhak Rabin has two years left. That gives it perhaps another year to come to terms with the Arabs before turning its attention to domestic politics.

Should Labor then be ousted by the rightist Likud party, it is a fair bet that negotiations as they are now known with Israel prepared to give up land for peace - will become a thing of the

For the moment, the talks commanding Israel's greatest interest are those with Jordan, which will take on a new look next week with the two sides holding their first open meetings in each other's country.

Negotiations on border and water disputes are supposed to begin Monday in a tent set up along the frontier the Israeli side.

As part of this new direction, Foreign Minister Shimon Peres is scheduled next Wednesday to become the

# See MIDEAST, Page 6

# Kim Jong Il Takes Over Total Power, North Korea Announces

SEOUL — Supreme power in North Korea has passed to Kim Jong II, the state-controlled radio reported Wednesday, saying he had succeeded his late father in all three of the top positions.

The report indicated that Mr. Kim, 52, had taken over as secretary-general of the Workers' Party, the nation's only legal

party, as commander of the million-member armed forces, and as president.

That would give the son full control of the governing apparatus set up by his fa-ther, Kim Il Sung, the "Great Leader," who died Friday, reportedly of heart at-

In its characteristic style, Radio Pyongyang's news service reported several times that "Our Dear Leader and comrade Kim Jong II, the sole successor to our Great

Leader, now holds the revered positions at the top of the party, the government, and

the revolutionary forces. But South Korean officials said they would await clearer notification from North Korea before concluding that the younger Mr. Kim has managed to carry out fully the transfer of power, the first hereditary succession in any Communist

South Korean officials said the radio

report was not surprising, since the trans-fer of the father's power to the son had seemed to be going smoothly following the

first word of Kim Il Sung's death. However, analysts here said they did not think Kim Jong Il or anyone else could formally assume the three titles until the official funeral for Kim Il Sung, set for

North Korea's state-run television service Wednesday released more videotape,

showing near-hysteria among mourners wailing and weeping before statues of the late "Great Leader." Citizens by the tens of thousands were seen beating their

breasts and crying uncontrollably.

Radio Pyongyang said about 17 million
North Koreans had taken part in public

mourning rituals.

South Korean officials said they expected that some time would be required be-

See KOREA, Page 6

# **Rebound in Stock Markets** · Heartens European Traders

By Erik Ipsen emational Herald Tribum

LONDON - The worst may be over for Enropean bond and stock markets, analysts said Wednesday after European share

prices headed upward. Share prices in London, by far Europe's largest market, were strong, with the FT-SE 100 index closing above the psychologically important 3,000 level for the first time in three weeks. The index was up 41 points on the day.

Separately, the dollar made a mild recovery, breaking out of its recent cycle of decline, although dealers were not convinced that market sentiment had

changed. (Page 9) "It is whoopee yahoo time," Andy Hartwill, equities strategist with Paribas Capital Markets, said of the good news on Europe's stock markets. Like many others,

however, he was reluctant to pronounce a major turning point.

Indeed, experts still disagree as to what to call the huge losses in both bond and stock markets of recent months. Bets remain evenly split between calling it a mere correction in a bull market or calling it an out-and-out bear market.

Whatever the definition, strategists say that there is much that ails the markets. Highest on the list, they place continuing uncertainty over the timing of likely increases in U.S. interest rates. Indeed, some currency traders attribut-

ed the dollar's comparative strength on European foreign exchange markets on Wednesday to rumors that the Federal Reserve would soon announce an interest rate increase of from one-half to three-

See MARKETS, Page 6



READY FOR THE OPEN — Greg Norman riding to a practice round Wednesday in Turnberry, Scotland, where he will defend his British Open title. The 123d edition of the golfing classic tees off on Thursday. Page 16.

# Kiosk

#### Rwandans Overwhelm Zairian Border Post

Hutu refugees fleeing rebel forces of the Tutsi-dominated Rwandan Patriotic Front overwhelmed a border crossing in Zaire on Wednesday, officials said.

A Red Cross worker estimated that refugees were crossing the border at the rate of 10,000 an hour along a small dirt

road just north of Goma, Zaire. The crossing was overrun after Zairian officials closed the main crossing at Goma. Behind those first Rwandan refugees, one aid worker estimated, 1 million refugees were en route Wednesday on a 40-kilometer stretch of road from Ru-

hengeri to Gisenyi. Gisenyi, in western Rwanda across the border from Goma, is the stronghold of Rwanda's mostly Hutu interim government. (Page 2)

Book Review

Page 7. Page 7.

#### Down 0.16% The Dollar 1.5685 1.564 Pound 97.325 98,225 **5.246**5

# **Newsstand Prices** Bahrain ...0.800 Din Molta.

# Back to Baghdad: Dealmakers Gear Up

By Caryle Murphy

BAGHDAD - This isolated city has not heard so many foreign accents in 2 long time.

Four dozen Frenchmen led the way, streaming into Baghdad in two separate delegations peppered with corporate honchos. Japanese, Italian and Spanish businessmen also showed up in the past month or so, as did a German parliamentary delegation, a Pakistani aviation official and a Chinese deputy foreign minister. The visits, along with an increasing number of frips abroad by senior Iraqi

officials, are the most illustrative demon-

stration of the waning international will to

maintain United Nations trade sanctions since travel to Iraq on U.S. passports is imposed on Iraq after it invaded Kuwait restricted. Some U.S. companies are said nearly four years ago.

Most of those who arrived came to prospect," as a Frenchman put it, for deals once sanctions are lifted.

Even the U.S. interests section in Baghdad, run by the Polish Embassy, is fielding calls from Americans inquiring about the risks of visiting here. They say, We got this invitation to

said, "and the first question they ask is, "Will they kill us if we come?" The company officials are informed that the Iraqis will not kill them, but that the U.S. government may prosecute them

visit from the Iraqi government," a source

to be getting around this by having Iraci visas stamped on pieces of paper, meeting Iraqi officials in Jordan or sending non-U.S. employees to Baghdad.

Iraqi officials are about to launch another blitzkrieg on UN diplomats in New York as the next sanctions review comes up next Monday. Diplomats here and UN officials say they expect no significant change at the review and predict the ban on Iraqi oil sales will continue until at least

Still, the international mood appears to See IRAQ, Page 6

#### WORLD CUP 🚱 GRANDSTAND

italy 2, Bulgaria 1

Roberto Baggio scored twice early, and the Italians held on to advance to the finals. Italy opened the game at a furious pace, and when Baggio scored in the 21st minute and then again five minutes later, it looked like an Italian rout. But Bulgaria came back as the first half ended, with Hristo Stoichkov converting a penal-

Saturday's third-place match: Bulgaria vs. Brazil-Sweden loser, in Pasadena, California, 1935 GMT.

Sunday's championship match: Italy vs. Bra-bi-Sweden winner, in Pesadena, 1935 GMT. World Cup report: Page 17

# Israel Expels 3 Palestinians **Entering Gaza** With Arafat

#### Other Senior PLO Aides Barred Until 2 More Fugitives Are Found

By David Hoffman

Washington Post Service
JERUSALEM — Three Palestinians —
two of them described as planners of one
of the most infamous attacks ever on Israeli civilians - were expelled Wednesday by Israel soon after they rode into the Gaza Strip in the motorcade of Yasser Arafa!

Two others were still being sought. The three, who arrived Tuesday, were forced to cross back into Egypt late

Israel barred other senior officials of the Palestine Liberation Organization from entering the self-rule areas of the Gaza Strip and Jericho until the two men still being sought were found and expelled.

Among those in the Palestine National Authority whom Israel said it would not admit pending the expulsions were Yasser Abed Rabbo, the minister of communications, who is waiting in Jordan along with 17 members of his PLO faction. Ahmed Qurei, the economics minister, was also scheduled to arrive in the self-rule area Friday and would be held up unless the two Palestinians were found, Israeli officials said.

Two of those expelled Wednesday were described by Israel as "directly responsible" for planning the 1974 attack on an Israeli school in Maalot that left 21 teenagers dead. An Israeli soldier and three Palestinian guerrillas also were killed in

The other Palestinians being expelled. including the two being sought, are accused of planning other violent attacks azainst Israelis.

The discovery that the Palestinians had entered Gaza with Mr. Arafat touched of! an uproar among Israeli politicians.

The Israeli foreign minister, Shimon Peres, said it was an "unpleasant trick." Prime Minister Yitzhak Rabin said of the

Palestinians, "I believe they have to lea m the lesson that they cannot cheat." Mr. Rabin accused Mr. Arafat's entov-

rage of trying to smuggle the men into Gaza in the motorcade.

Rightist opposition politicians attacked the government over the incident. Benjamin Begin, a member of Parliament, said Mr. Rabin had also granted permission for the entry of Amin Hindi; Israel has described him as a planner of the 1972 massacre of 11 Israeli athletes at the Munich

Mr. Begin said Mr. Arafat was "ultimately responsible for all the planning and execution of so many terrorist attacks successfully perpetrated against Israelis all these years." Two small opposition parties submitted a no-confidence motion in the Parliament over the incident, which will be debated next week. Palestinian officials did not defend the

move and tried to defuse the criticism. "The four tried to get into Gaza illegally. thinking they would sneak in with Arafat. said Major General Nasser Yousel, commander of the Palestinian police force. "it was illegal, but we solved the problem and it is all over." Although General Yousef referred to four men, Israeli authorities said five were involved.

Oded Ben Ami, a spokesman for Mr. Rabin, said the Palestinians were supposed See EXPEL, Page 6

## Patten Blames China for Jitters In Hong Kong

By Edward A. Gargan

New York Times Service
HONG KONG — At times battered by ferocious criticism from Beijing, and at times ignored, Hong Kong's governor on Wednesday vigorously defended his program of local democratization and lashed out at the Chinese government for undermining confidence in the colony in the three years before Britain surrenders sov-

Mixing sarcasm with passion, anger with fervor, Governor Chris Patten placed blame for the growing pervousness among many people in Hong Kong about China's looming takeover squarely on the shoulders of Beijing's leaders.

In an interview at his office in the governor's residence, the man who is probably Britain's last governor here said that confidence in the colony could only be assured by Beijing.

"I have never sought to deny that they can come in and throw out the Legislative Council, the directly elected local government and bodies that have been created." Mr. Patten said. "I don't think that will be widely regarded as a very effective way of winning people's minds and hearts. And I think the rest of the world will inevitably see China's assumption of international responsibilities very much through the prism of how it deals with Hong Kong and how it behaves in Hong Kong.

Two weeks ago, Hong Kong's Legisla-See PATTEN, Page 6

# **Panicked Rwandans Swarm Into Zaire**

Compiled by Our Staff From Dispatches GOMA, Zaire - Driven by fear, hundreds of thousands of Hutu refugees in western Rwanda overwhelmed a tiny border crossing and flooded into Zaire on Wednesday, aid workers said.

The aid workers said they may be facing one of the world's biggest humanitarian

A Red Cross official estimated that, starting late Wednesday, refugees were crossing the border at the rate of 10,000 an hour along a tiny road just north of Goma.

The refugees were fleeing ahead of the Rwandan Patriotic Front, the Tutsi rebel group that holds two-thirds of the country and is advancing west against the remaining government troops.

The crossing point — manned by one guard on a dirt road - was overrun after Zairian officials closed the main crossing at Goma. Aid workers and reporters who had used Goma as their base for western Rwanda, were allowed to cross back into Zaire at Goma, but only on foot. Cars had to be left

Behind those first Rwandan refugees, one aid worker estimated that I million refugees -"a wall of people" — were seen Wednesday on a 40-kilometer (25-mile) stretch of road from Ruhengeri to Gisenyi.

Gisenyi, across the border say they have detected no such from Goma, is the stronghold signs from the front. of Rwanda's interim govern-

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ment, made up of members of its Hutu majority.

Rebels have threatened to march on to Gisenyi if the Hutu leaders who encouraged the massacre of an estimated 200,000 people -- mostly Tutsi civilians and Hutu opposition leaders - were not apprehend-

"The situation is bad," said Johanna Grombach, head of the International Committee of the Red Cross in Goma. "It is a humanitarian catastrophe."

The needs are too much, just too much for the ICRC," Miss Grombach said. "We cannot feed all these people. The medical needs are also enormous."

The charity Doctors Without Borders said it would begin operating in the government-held area of Rwanda on Thursday. But an official said, "It's a huge and challenging task, and frankly we just do not have the capacity, the means, to cope with the situation."

The French military in Goma on a humanitarian mission also said the situation was critical.

"We are witnessing a dramatic level of a humanitarian crisaid Colonel Didier Bolleli, a military spokesman.

"And what is needed is massive injection of funds, massive sup-

Political analysts say only an immediate end to the rebels' advance will ease the situation, but French intelligence officers



Thousands of Rwandans waiting at a Tanzania camp Wednesday for a visit by Sadako Ogata, the UN refugee chief.

# Nigeria Bows to Pressure From Strikers

LAGOS — Pressured by a crippling oil strike aimed at ousting the military regime, Nigeria's leaders promised Wednesday to release impris-oned union officials and hinted that they would free the man who apparently was elected

president last year. The military government of General Sani Abacha, faced with the stiffest challenge to its hard-line rule, met throughout the day while widespread strikes continued to strangle the

Thousands of managers in the oil industry, including engineers and supervisors on off-shore rigs, joined the strike on

The government was unusually conciliatory Wednesday, but did not address the main demand of a broad-based labor coalition: that the government resign and give power to Mo-

economy of this nation of 90 the June 12, 1993, election that million people. was voided by the military. Information Minister Jerry

Gana invited union leaders to meet with the government, an offer the union had rejected earlier Wednesday. The government also said it

would release union leaders who were jailed when oil workers triggered a series of strikes by trade unions on July 4. Most significantly, Mr. Gana

shood K.O. Abiola, the busi-nessman who apparently won oppose the release of Chief

sary of the presidential election aimed at ending a decade of

Chief Abiola has been charged with treason in the federal court in Abuja.

#### He has a bail hearing scheduled for Thursday, and his re-lease may be imminent as the government seeks to placate growing grass-roots opposition

# Seeing Spies Everywhere, China Acts

Reuters

Under the regulations, for-leged overseas spies, most of BEIJING — China has eign institutions, organizations whom are said to work for Taistepped up state security with and foreigners in China will be wan. The regulations define subcounter internal dissent and the collude with or engage in versive activities as: the organization of the collude with or engage in the colluse with the colluse with the colluse with the colluse with the colluse wi by foreign governments. ing state
Prime Minister Li Peng proper said.

mulgated the regulations, passed in May by the cabinet, on June 4, the lifth anniversary of the Chinese Army crackdown on pro-democracy pro-tests, but they were published by the Legal Daily only on Wednesday.

na have never ceased, according to the state by shielding crimito the State Security Ministry.

cally report the capture of al- the newspaper said.

what it calls ceaseless espionage subversive activities endanger- zation of terrorist activities, the ing state security, the newspa- fabrication or distortion of Subversion, instigation of rebellion and sabotage by overseas espionage agencies in China have never ceased according to the spreading of views that endanger state security, and the use of religion to incite ethnic strife.

nal activities or hindering state The official media periodi- security work will be punished,

## Beijing Sets New Talks In Taipei

BEIJING — China has reponded to Taiwan's invitation. to resume stalled talks, propos-ing that a fifth round begin in Taipei on July 25, the China Daily reported Wednesday.

The talks, proposed in a mes-sage from China's Association for Relations Across the Taiwan Straits to its counterpart, the Straits Exchange Founda-tion, would be the first since the killing of 24 Taiwan tourists in China on March 31 soured rela-

The message from the Chinese semi-official body said the the two groups' deputy secre-tary-generals would be continuing their discussions on repatriating hijackers and individuals who enter illegally, as well as on fishing disputes, Xinhua said.

It also proposed talks on July 27 between the two secretarygenerals, Tang Shubei and his Taiwan counterpart, Chiao Jenho, focusing on losses of property and life suffered in bilateral exchanges in recent years, the

# WORLD BRIEFS

# French Aide Rejects Germans' March.

PARIS (Reuters) — Interior Minister Charles Pasqua came out a Wednesday against German troops' taking part in France's Base tille Day parade on Thursday.

"I think the idea of associating the soldiers of Eurocorps to a

"I think the idea of associating the soldiers of Eurocorps to a
parade in Paris is not a bad idea, but I think the timing is not good
parade in Paris is not a bad idea, but I think the timing is not good

because we are celebrating this year the 50th anniversary of the Liberation," Mr. Pasqua told the TF1 television network.

President François Mitterrand invited German troops to the parade as part of the multinational Eurocorps. A poll in the magazine Globe Hebdo showed 66 percent of French people approved the invitation against 31 percent who were opposed.

### Ukraine Chief Backs Off Russia Ties

KIEV (AP) — President-elect Leonid D. Kuchma distanced himself Wednesday from proponents of political union between Ukraine and Russia.

"I've never proposed that Ukraine return to the Russian empire," Mr. Kuchma said at a press conference in Kiev in his first public appearance since he defeated President Leonid M. Krav-

chuk in elections Sunday. Mr. Knchma, who has promised to restore close ties between Kiev and Moscow, played down Russia's future role in Ukrainian affairs: "Our relations with Russia in strategic terms are important," he said. "But they'll not be allowed to be to the detriment of our relations with other states." He added that Kiev intended to "keep the door open" to the West.

### Firms Pull Workers Out of Algeria

ALGIERS (AP) — Companies from Denmark and Yugoslavia pulled their staffs out of Algeria on Wednesday as foreigners fled a new wave of slayings by Islamic extremists.

Abiola, who was arrested after he declared himself president in June to mark the first anniversary of the west declared himself president in June to mark the first anniversary of the west declared himself and the staffs out of Algeria on Wednesday as foreigners fled a new wave of slayings by Islamic extremists of Denmark withdrew about 40 employees from Said in Copenhagen.

A statement of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himself president in June 10 mark the first anniversary of the west declared himsel

A water-engineering company from Yugoslavia announced it would withdraw all its remaining workers after two were killed and one was wounded when gunmen sprayed a restaurant with bullets Monday. Since September, 51 foreigners have been killed

#### Rhodes Gets More Police After Blasts

ATHENS (AFP) — The Greek government sent 100 members of a special police unit to the Aegean resort island of Rhodes on Wednesday after three bomb attacks this week in which eight persons, including six tourists, were wounded.

The public order minister, Stylianos-Angelos Papathemelis, said he was sending in police reinforcements to ward off new attacks in what he described as "an organized anti-Greek offensive." There has been no claim of responsibility for the attacks.

#### TRAVEL UPDATE

#### EC Unveils Model of Common Visa

BRUSSELS (Reuters) — The European Commission unveiled the model for a common visa for entry into European Union countries Wednesday, but officials said free movement within member states would not happen overnight. The visa, which would be needed by certain non-EU nationals, would be forgery-

would be needed by certain non-EU nationals, would be rorgeryproof and recognized by all immigration officials:

"All this means we will have historic and political developments
in the Community before too long," the internal market commiskioner, Raniero Vanni d'Archirafi, said at a press conference.

The move follows a commission proposal that contains a list of
125 countries whose nationals would need a visa to enter the EU. The British argue that the list is too large and includes countries,

such as South Africa and Commonwealth countries, whose nationals do not currently require visas to enter Britain. Conversely, Britain says that there are some countries not on the list, such as some parts of former Yugoslavia, which are on Britain's list. No one was gored and only four persons were treated in hospitals for minor injuries in the running of the bulls Wednesday, a relatively light toll for the San Fermin festival in Pamplona, Spain. The injuries brought to-51 the total of persons sent to emergency wards for such injuries in this year's festival. The eight

day-festival ends Thursday. A 24-hour strike by British Rail signal stiff, the fifth in five weeks in pursuit of a demand for more pay, halted 80 percent of trains on Britain's national network Wednesday. The National Union of Rail. Maritime and Transport Workers has called

another of the once-a-week stoppages for Wednesday. Japan Airlines will begin flights between Kansai International Airport in Osaka and London and Paris on September 1. (AFP) Vietnam will take control of air traffic over the southern part of

the country in December after spending hundreds of millions of dollars upgrading radar and radio equipment, the Vietnam News Agency reported Wednesday. Since 1975, the region was divided into three zones of responsibility handled by air traffic controllers in Thailand, Singapore and Hong Kong.

#### in Rome on its journey Smoker's Killer in Japan Won't Be Jailed into the 21st century. The incident took place on March 7 when TOKYO - A man who caused a smoker's Mr. Kuwahara, an office worker, found him-

death by kicking him after he lit a cigarette in self alongside Mr. Sugiura on a suburban a no-smoking area at a Japanese railroad station has received a three-year suspended

Kazno Kuwahara, 28, received the sentence from the district court in Urawa, north of Tokyo, on Tuesday. Anti-smoking activists had called for leniency in the case.

Mr. Kuwahara had pleaded guilty to caus-

ing bodily harm resulting in the death of Hideo Sugiura, a 57-year-old housepainter. The defendant had submitted a written statement telling the court he could not tolerate what he called violent smoking that might

station platform.

smoking area, Mr. Kuwahara elbowed him in protest, the court heard. Then, fearing a counterattack, he kicked

Mr. Sugiura in the face and neck. The painter fell, fatally fracturing his skull. Judge Seiji Habuchi said Mr. Kuwahara

should have been content with warning Mr. Suginra for contravening the smoking ban. But he ruled that the defendant kicked the victim only once and had not intended to kill

# West Takes a New Tack to Fight Child Sex Trade Overseas

By Charles P. Wallace

harm other people.

Los Angeles Times Service
BANGKOK — Early last year, a retired Swedish civil servant was arrested during a police raid in the beach resort of Pattaya, and charged with molesting a 13-year-old boy in his hotel room. As is common in prosecutions involving child prostitution in Asia, the case never went to

Instead, the Swede was released on \$4,000 bail and left the country. Since Sweden has no extradition treaty with Thailand, it appeared that his

After returning to Sweden, however, he re-ceived a shock. The state prosecutor, Sven-Erik Alhem, informed him that he was being officially investigated — the formal stage before prosecu-tion — for violating Sweden's own child molestation law with his activities in Thailand. It is the first time Swedish authorities have contemplated using the 30-year-old law for crimes involving children overseas, Mr. Alhem said.

While the Swedish traveler maintains his innocence and prosecutors are still awaiting evidence from Thailand before proceeding, the case has become the opening skirmish in a novel, worldwide legal battle to curb the flourishing trade in

In the past year, Germany, France and Australia have proposed tough legal measures to discourage their citizens from traveling abroad for child prostitution. In the United States, Senate and House versions of a law on child abuse overseas have been sent to a joint congressional committee along with the rest of the current

crime bill. Child prostitution is one of the saddest scourges in developing Asia. Every year, thou-sands of men from Western Europe, the United States and Australia fly into Southeast Asia in search of children, both boys and girls, as sex partners or to use in pornography. Some poor parents in developing countries sell their chil-dren into a kind of slavery, while governments desperate for tourist dollars turn a blind eye.

Previously, efforts to control the trade have largely failed because of corruption. Now, however, efforts around the world have been galvanized in a campaign to adopt strict laws in the so-called "consumer" countries to discourage men from venturing overseas for underage sex.

The campaign is being spearheaded by a small group called End Child Prostitution in Asian

Tourism, which was founded in Bangkok in 1990 during an international conference on tourism. It has offices in 26 countries.

"Our goal is to let people know that if they

want a child prostitute in Thailand or elsewhere in Asia, that they are doing something illegal," crime committed overseas. But legal experts said, that Sudarat S. Srisang, a Thai social worker who this concept of "extraterritoriality" has been was an acceptance in this part of the world. Well, it's no longer O.K."

Although precise statistics are not available. Mr. Sudarat's group estimates that nearly I million children are involved in Asia's sex trade, ing for prison sentences of up to 10 years for any including 300,000 to 400,000 in India, 200,000 to German who engages in sexual practices with a child under 14, even if the crime takes place in a pines and Taiwan, 40,000 in Vietnam and 30,000 foreign country. France also adopted punitive in Sri Lanka. A recent report suggested that warmeasures, while Britain promised to provide

for child prostitution. The proposed U.S. law would expand the officials.

Mann Act, which makes it an offense to travel across state lines for immoral purposes, to make adopted by the lower house of Australia's Parliait a felony to travel outside the United States to engage in any sexual act with a minor that would be illegal in America. It would also be illegal for

Enforced by a special Justice Department of Mr. Sudarat's group has focused on enacting fice, the proposal calls for punishment of 10 laws in the "consumer" nations because only a cates had initially questioned whether it was grow.

became the group's executive director. "Before, upheld in such cases as the one against the there was this attitude that it was O.K., that there former Panamanian leader Manuel Antonio Nonega, who was tried and convicted in Miami on eight counts of racketeering, conspiracy and cocaine-samagling.
Late last year, Germany enacted a law provid-

devastated Cambodia is fast becoming a haven Asian countries with lists of known British pedophiles so they can be kept out by immigration

ment earlier this year and is awaiting passage by the upper house. It provides for up to 14 years' be illegal in America. It would also be illegal for imprisonment for cases involving children under Americans to traffic in child pornography 12 and up to seven years' imprisonment for those involving youngsters between 13 and 16.

Mr. Sudarar's group has focused on enacting

years' imprisonment for a first offense and 20 handful of cases have been successfully prosecutyears for a second offense. Civil liberties advo- ed in Asia, although the number is starting to

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# THE AMERICAS / WARRING ON HEALTH PLAN

### Congress Swears It Can Keep a Secret

WASHINGTON - The White House counsel, Lloyd Cutler, has reached an extraordinary secrecy agreement with the Senate Banking Committee to treat documents related to the Whitewater affair as classified materials until hearings begin later this month.

The House Banking Committee also has agreed to give the documents unusual protection. Mr. Cutler said Tuesday the arrangements were negotiated with committee lawyers and were intended to prevent "random leaking of documents out of context."

The documents, which detail contacts between the White House and Treasury Department about the early stages of the Whitewater investigation, are being kept in safes in secure rooms under guard. The limited number of Republican and Democratic banking committee staffers allowed to see them are being asked to sign confidentiality agreements.

Republicans, who had waged a long struggle with Democratic leaders to schedule Whitewater hearings in both houses, agreed to the unusual terms because they were concerned that they might otherwise be denied access to the documents, Republican sources said. (WP)

#### U.S. Weighs Mandatory Identity Cards

NEW YORK - The United States, in a response to its inability to control illegal immigration, may soon ask every American to carry a national identity card that would be

required when applying for work or social benefits.

Called an "Employee Verification Registration," the card would include a photograph, a magnetic strip with statistical information, a Social Security number and, possibly, fingerprints, CBS News reported.

The card could be proposed by the U.S. Commission on Immigration Reform, a bipartisan group that CBS said had already discussed the concept with the White House, which tentatively endorsed the idea.

The card would be required when applying for work or social benefits and would be phased in by age groups over several years, CBS said.

#### Senate Sidelines a Pro-Labor Measure

WASHINGTON — Legislation to bar employers from hiring permanent replacements for striking workers was effectively doomed after the Senate twice failed to break a filibuster by conservatives. The "workplace fairness" measure, a top legislative priori-

ty of organized labor and one endorsed by the Clinton administration, will be shelved for the year.

In a largely party-line roll call vote of 53 to 46 on Wednesday, the Senate failed to get the 60 votes required to limit debate and force a bill to passage.

#### Quote/Unquote

horn

David King, an assistant professor at Harvard University, on Senator Edward M. Kennedy's apcoming re-election race and a probable challenge from a Republican businessman, Mitt Romney: "Mitt Romney has a lot more money than anyone who has run against Ted Kennedy in the past. And money is the name of the game in gaining name recognition in

#### **Away From Politics**

 At least two immates were killed and two critically wound in a riot at a medium security prison north of Hartford. officials in Connecticut said. Two guards were also wounded in the fighting, which involved about 200 prisoners at the Carl Robinson Correctional Institution in Enfield.

■ A helicopter currying fire fighters between brush fires crashed in New Mexico, killing three people and injuring two, authorities said. The crash started a blaze in a forest 30 miles (50 kilometers) northeast of Silver City.

• A Coast Guard helicopter hit a hillside while searching in fog for a stranded fishing boat, killing all four crew members aboard, it was reported in Shelter Cove, California.

• Running counter to a national trend, a survey released in New York suggests that the attitudes of New York City schoolchildren are hardening against drugs. The survey of more than 15,000 children last year showed an increase in the perceived risk of taking drugs, as well as a decrease in the perceived benefits, compared with a similar poll the previous year. Ninety percent of the children said taking drugs would make you "feel bad about yourself," up from 85 percent in 1992. Only 16 percent said taking drugs would make them feel more grown up.

Reuters, AFP, AP, NYT

# Catholics Mobilize to Block Coverage for Abortions

#### By Peter Steinfels Hew York Times Service

NEW YORK - The nation's Roman Catholic bishops have warned Congressional leaders that they are mobilizing millions of church members against any health care plan that requires all health insurers to cover abortion as part of a

In a letter to congressional leaders this week. the bishops reaffirmed their support for changing the health system to achieve universal coverage. But they promised "vigorous opposition" to any health plan that includes a requirement of

standard package of benefits.

abortion coverage. Although the bishops have stated this position repeatedly, they have watched with consternation as each of the five draft health bills that have passed congressional committees has included a

"We haven't been listened to," said Helen Alvare, a spokeswoman for the the National Conference of Catholic Bishops, "It was our hope that by now we would have been able to impress on members of Congress the dramatic violation of our conscience that inclusion of abortion would be.

Most private health plans include coverage of

Requiring such coverage in a uniform national benefits package "will force millions of employers, churches and individuals to subsidize abortion in violation of their consciences," the bishops' letter said, and "will jeopardize the future of Catholic and other religious providers of health

The letter, sent to 30 leaders of Congress, was signed by Archbishop William H. Keeler of Baltimore, president of the bishops conference, Cardinal Roger Mahony of Los Angeles, chairman of its Pro-Life Committee, and Bishop John R. Ricard of Baltimore, who serves on the bishops' Domestic Policy Committee.
Church officials around the country are now

beginning a stepped-up effort to press their op-position in visits to political leaders and to mobilize parishes, church organizations and the extensive Roman Catholic hospital system, in hopes that members will make their views known to

Congress.

Church officials said they hoped that when congressional leaders and the White House craft final health legislation in the coming weeks, it

choice of buying insurance that does not include ing abortion services will outweigh the benefits. new, standard benefits package.

In effect, the Catholic leaders are offering a "While everyone respects the dictates of indi-

In effect, the Catholic leaders are offering a carrot and a stick. They have pledged their strong support for a major overhaul of health care that includes universal coverage, so long as it excludes abortion services. But they have also made it clear that a plan that includes abortion coverage will face organized opposition from Catholic leaders and groups.

The abortion issue is one of the biggest concerns of the Democratic strategists trying to piece together a majority for a health care bill. Their fear is that coming down on either side will cost votes. With Democratic leaders increasingly aware of how narrow a margin they may be working with to pass a bill, the hunt will be intense for some kind of compromise.

Last month Hillary Rodham Clinton seemed to open the door to a strategic retreat, even on abortion, saying: "It is very difficult to tell exactly where we are going to have to make whatever

Abortion rights advocates, who note that most Americans already have abortion services covered in private insurance plans, have vowed to try's insurance plans include abortion coverage.

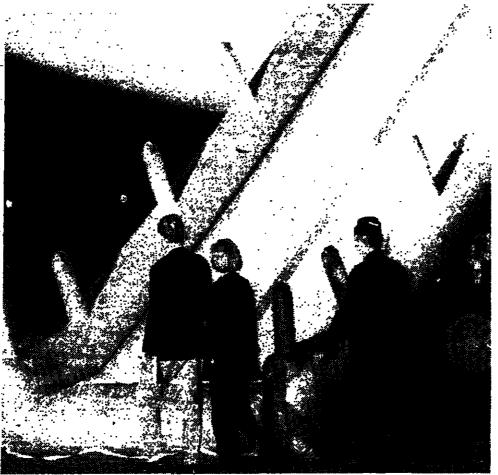
abortions, but Catholics and others have the will be apparent that the political costs of includ- fight any effort to remove abortion from any

vidual conscience, we strongly oppose the bishops' plan to impose their views on women's reproductive health on society as a whole," said James Wagoner, executive vice president of the National Abortion and Reproductive Rights Ac-

tion League. The dual position — support for universal coverage and strong opposition to including abortion services - distinguishes the bishops' position from that of some conservative Chrisiian groups who not only oppose abortion but also oppose virtually any major health-care

It is also central to the bishops' hope for mobilizing Catholics well beyond the usual circles of fervent abortion foes, such as Catholic doctors and nurses and church members working with low-income and minority populations.

In the health proposals before Congress, pub-lic funds would subsidize the insurance of poor people, and thus abortion coverage for them. But the Catholic leaders are objecting more broadly



NONEMERGENCY EXIT — President Bill Clinton and the first lady walking past an escape chute that was accidentally deployed on Air Force One after it landed at Andrews National Football League teammate of Mr. Air Force Base, Maryland. The Cintons were returning from their European trip. Simpson's.

### **Blood Tests on Glove Reported to Find DNA Links to Simpson and Slain Pair**

LOS ANGELES - Blood on a glove found at O.J. Simpson's estate contained DNA material from Mr. Simpson and the two persons he is accused of killing, according to a Los Angeles

Tests on blood from the glove showed a "strong probability" of a DNA match with blood from Mr. Simpson, his former wife and her friend, KCBS-TV reported, citing sources close to the investigation. The use of such genetic testing as evidence has been challenged in some California courts.

The test results received by the district attorney came from a right-hand glove found at Mr. Simpson's estate after the June 12 killings of Nicole Brown Simpson and Ronald L. Goldman, the report said.

A left-hand glove was found at the scene of the killings, in front of Ms. Simpson's condominium. The authorities believe the two gloves are a matched set.

Meanwhile, investigators took hair samples from Mr. Simpson, 47, the actor and former football star, and asked the district attorney to file charges against Al Cowlings, who drove the white Ford Bronco seen by millions on national television June 17 as it was followed by several police cars over 60 miles of Los Angeles area

Mr. Simpson was in the back seat, holding a gun to his head at times. He had fled after learning he was about to be charged with mur-dering Ms. Simpson, 35, and Mr. Goldman, 25. Mr. Cowlings is a boyhood friend and a former

When they arrived in Mr. Simpson's driveway, Mr. Cowlings was arrested for investigation of aiding his friend's escape and freed on \$250,000

The district attorney could decide to file charges, drop the case or ask for further investigation. A decision is expected before Mr. Cowlings's scheduled court appearance Friday.

Robert L. Shapiro, Mr. Simpson's lawyer, has said Mr. Simpson planned to go to his former wife's grave and kill himself, but Mr. Cowlings talked him out of it.

Detectives collected hair from Mr. Simpson, who is held without bail at the Los Angeles County Central Men's Jail. A judge had ruled that up to 100 hairs could be taken for comparison with those in a knit cap found at the scene of the killings. The authorities have said they want to use DNA testing to compare the hairs.

■ Defense Prepares Motions

Lawyers for Mr. Simpson have begun preparing a battery of motions in an attempt to undermine the prosecution case and to bolster their client's plea of innocence, the Los Angeles Times reported, quoting Mr. Shapiro.

"We are only going to file motions that are legally supportable and that support O.J.'s innocence," said Mr. Shapiro, who heads the high-profile legal team. Among the motions being drafted, Mr. Sha-

piro said, is one to dismiss the case based on the lack of prosecution evidence presented during the preliminary hearing.

Another motion will contest evidence ob-

tained during a warrantless search of Mr. Simpson's home and another will challenge evidence seized under a subsequent search warrant.

# Human Error Is Blamed for Downing of Helicopters Over Iraq

down of two U.S. helicopters

WASHINGTON - The shot down the belicopters and Pentagon said Wednesday that the "friendly fire" shooting ing and Control System plane

over Iraq was caused by human error, and Defense Secretary William J. Perry called it "a tragedy that never should have happened."

Mr. Perry said a two-month inquiry concluded that the pi-

tion.

The report made clear that human errors, particularly in helicopters over a "no-flight"

decide on any disciplinary ac- Army UH-60 Blackhawk heli- tary personnel, five Kurds and hawks," said the chief investithree officers from Turkey, two gating officer, Major General from Britain and one from James Andrus.

monitoring flights in the area had made several mistakes that led to the tragedy, in which the F-15Cs

The defense secretary said

He cited the fact that the F-

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## No, Don't Invade Haiti

If the Clinton administration is looking for a pretext to invade Haiti - a distinct possibility - it has just been handed a dandy one. The army-backed government's abrupt expulsion of foreign human rights monitors is a defiant slap at the United Nations and the Organization of American States. By threatening the safety of these international civil servants, Lieutenant General Raoul Cedras and his crew have conveniently internationalized what has been essentially a domestic political crisis, finessing the objection that an invasion would violate Haitian sovereignty. It is a conscious provocation, daring Washington to over-

ride domestic skepticism and invade. But unless force is literally needed to protect the monitors' lives. the administration should sit tight and settle down to a policy of sanctions, sanctuary and in-tensified international diplomacy.

An invasion will not create a workable Haitian political system, win regional respect or set a constructive precedent for the use of force in post-Cold War foreign policy. There is no guarantee of a quick exit or acclaim from the Haitian population, even the pro-Aristide majority. And it is not supported by Congress of American public opinion. Nevertheless, invasion is a seductive

idea to some in the White House and the State Department because of frustration with the insolent behavior of Haiti's generals, a desire to refute doubts that this administration is prepared to use force, and fear of the political consequences of the continued massive exodus of Haitian refugees.

The better, if less dramatic, policy is to let recently tightened international sanctions do their work, pressuring countries like France to suspend commercial flights and cooperate in arranging refugee resettlement; and to find enough safe haven sites, including some in the United States, to assure that no fleeing Haitian is forced to return home.

Force is a blunt instrument. It cannot solve political problems. It kills people, including American troops, who should be asked to die only when vital national interests are involved. It punches holes in the international legal order. It is sometimes necessary but must be only a last resort. Democracy and human rights are national U.S. interests. But except for refugees, what is going on in Haiti affects only Haiti. Fear of the political conse-quences of admitting legally qualified but politically unpopular refugees is not a very good reason for invading a country. - THE NEW YORK TIMES.

## **Passports for Lebanon**

the use of most American citizens' passports for travel to Lebanon? The official reason is to ensure the security of American citizens in a place prone to terrorism. But the old sort of terrorism is in remission. The United States so acknowledged when the Justice Department announced last year that it was no longer extending "temporary protected status" to Lebanese nationals in America to let them overstay their visas. The last American hostage. Terry Anderson, came out at the end of 1991.

Ignoring the ban, some 40,000 Lebanese-Americans went back last year, mostly for family visits, without a single incident. In Congress, leaders of both - parties endorse lifting the seven-year-old passport ban in favor of a travel advisory or warning, which leaves the decision to travel in each American's hands.

Lebanon still has a good way to go to recover fully from a civil war that wrecked national life from 1975 to 1990. Yet it is springing ahead in physical reconstruction, without foreign aid, and its political rehabilitation goes about as well as it can while the country remains the victim of a double occupation, by Syria and Israel.

The American passport ban is an especially unkind cut, coming from a

country that professes friendship and enjoys diplomatic ties with Lebanon. Under the ban, some Americans ignoring it have had their passports lifted. The ban hurts travel and tourism, keeps American business from going after big infrastructure projects in Lebanon and belittles Lebanese pluck. No other country enforces a similar restriction.

The State Department's caution is understandable; nobody over there in Foggy Bottom can want to become known as the diplomat who opened up travel to Lebanon just as Hezbollah got back into hostage-taking. But Americans would still be on notice to be careful.

Meanwhile, in Beirut and elsewhere, the suspicion circulates that Washington is holding back this diplomatic favor as a card to be played not in a bilateral relationship of modest consequence but in the grander diplomatic game. This

frustrates the Lebanese. They know that their time will come in the Mideast peace talks only when Syria and Israel so determine. Rather than waiting to be rewarded later for a peace move that they would eagerly make today if they could, they prefer to be encouraged and strengthened now. The burden is on the State Department to show why it cannot lift the ban.

-THE WASHINGTON POST.

### **Minuses and Pluses**

It is no secret that President Bill Clinton is trying to demonstrate to the American public that he is capable of consistent, credible foreign policy leadership. On that score, the summit meeting of industrial democracies in Naples, the centerpiece of his latest European tour, was a missed opportunity.

It is also no secret that it is not as easy nowadays for a U.S. president to domi-nate the world stage. Absent a common Soviet threat, America is seen as one more player in a complex and increasingly parochial post-Cold War world.

In the past, for example, Mr. Clinton's plea to the industrialized nations to open their markets to Eastern Europe might have commanded a respectful hearing; troubled by unemployment, the industrialized nations turned a deaf ear. Unfortunately, President Clinton and his team created problems of their own.

The trip was marked by an informal clumsiness and lacked any theme or thread. He began inauspiciously with an odd, disengaged speech in Washington that seemed deliberately to ignore any foreign policy issues not directly related to trade and jobs — even though sub-jects like Rwanda, Haiti. Bosnia and North Korea were sure to come up at the Naples meeting. Later, in Naples, Mr. Clinton asserted that he saw no need to "overreact" to the dollar's decline; when the dollar immediately tumbled further, his staff, always on damage-control alert, hurried to explain that he had not

ruled out measures to support it. At another point, he made a modest last-minute proposal for further trade liberalization. His surprised European colleagues rebuffed him. Mr. Clinton would have done better to consult them in advance, especially since an earlier; broader agreement has not yet been ratified.

not nearly as significant as his larger from the start. failure to see Naples as a chance to de-

fine, for Americans as well as Europeans, how today's tussles over exchange rates and trade agreements relate to the larger goals of reducing unemployment in the West and consolidating democracy and markets in the former Soviet empire.

Moreover, President Clinton might have used some of his time to coordinate with his allies on specific crises like Haiti and Rwanda, where there are sharp disagreements. The issues that Mr. Clinton tried to ignore forced their way onto the agenda anyway. On his first day in Europe, his own Pentagon upstaged him with leaks about commandos rehearsing to invade Haiti. Then Panama reneged on a plan to shelter refugees, forcing his traveling staff to

scramble for explanations. The Naples gathering itself began under the shadow of the unexpected death of Kim Il Sung in North Korea. And it closed with Boris Yeltsin sidestepping Mr. Clinton's calls to withdraw Russian troops from the Baltics by the end of next month. So much for the illusion of an economics-oriented, photo-opportu-

nity summit conference. Elsewhere, the president got other issues just right, ably resisting the tempta-tion to tell his hosts what they wanted to hear. In Riga, Latvia, he supported the sovereignty of the Baltic countries, while chiding their provocative treat-ment of Russians stranded inside their borders. In Warsaw, he made the most of NATO's newly formed Partnership for Peace, but he rightly deferred the question of full NATO membership for Eastern Europe.

Overall, it was a journey of bits and pieces, none of which collected themselves into a satisfying whole. As such, it was another illustration of the discontinuity between policy and presentation But these bumbles and stumbles were that has plagued this administration

- THE NEW YORK TIMES.



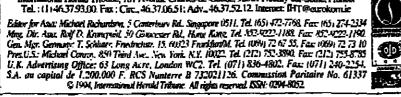
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# Herald International Tribune The American President Has Devalued Clout

WASHINGTON — It is hard to develop a new vision of the world when you have so many thumbs stuck in your eye. From Panama to Paris, from Beijing to Belgrade, foreign leaders are showing little awe or respect for President Bill Clinton as he tries to reassure his own domestic audience about his leadership abili-

ties in foreign policy.
In capital after capital, the president's peers have concluded

For half a century, the ability to get along with the American government of the moment was a major asset for many politicians abroad.

that Mr. Clinton's coattails do not reach overseas. They act as if they have little to lose in disputing or defying him, and little to gain in making him look good. The willingness of America's allies to upstage this president was as apparent at last week's summit of the Group of Seven industrial democracies as it was in the thumb-in-the-eye defiance of Mr. Clinton's diplomatic initiatives by the thugs of Haiti and the ethnic cleansers of Serbia.

In the space of a few hours,

North Korea's atomic secrets.

sion on all those faces.

proclaimed Great Leader.

NEW YORK — President Bill Clinton has made clear from:

Naples that his policy is to leave

the dollar alone. Unsupported, it

notwithstanding, sees this as more of a benefit than a problem

in American trade, especially

with Japan. Most important, it

feels that a falling dollar hardly

can do much harm to an economy

as large and robust as America's

especially when inflation is not a

problem. So, the administration's

policy is to sit back and watch

the dollar come down until the

currency market inevitably over-

This policy might have made sense in the past, but not today. It

fails to recognize that the world has changed — and in no small

part thanks to Mickey Kantor,

the administration's own trade

For many years, the biggest buyers of U.S. bonds and stocks

were the very Japanese compa-nies and their financial institu-

tions whose trade behavior Mr.

Kantor has been trying to change. His policy of pushing up the yen has reversed their behavior in a

The Japanese, realizing that it

makes no sense for their insur-

ance companies and pension

funds to buy billions in U.S.

Treasury notes and bonds when

the dollar is falling, have simply

way he may not have foreseen.

shoots and reverses itself.

representative.

The White House, its denials

has continued to fall.

By Flora Lewis

PARIS — The scenes from Pyongyang televi-sion after the death of Kim Il Sung were

scarier and in a way more mysterious than

They showed a dense and endless sea of peo-

ple — boys and girls, old women, stiff-backed

generals in uniform, even the honor guard and

the television announcer — all bawling like

frightened babies. There was one single expres-

How on earth do they do that to people?

No doubt there is a collective sense of danger

and loss. They have been told so insisteatly and for so long about vicious enemies preparing to attack, and that they could only rely on the self-

When Stalin died in 1953, many in the Soviet

Union felt, above all, dread of an unknown

in each of these cases the mouse twisted the lion's paw instead of taking the thorn out. Mr. Clinton's position on the substance of these issues was essentially right. There was not some terrible mistake or overbearing attitude on the part of the American leaders to compel others to take their distance. This makes the disappearance of the American premium in interna-

trade talks immediately.

tional politics all the more striking, and troubling.
For half a century, the ability

In Pyongyang, All Bawling in Unison

stopped doing so -at least until

they think the dollar has hit bot-

tom and interest rates have gone

about as far as they can go.

Instead the Bank of Japan is left with the task of mopping up dollars after the event, and the central bank only invests in very

short-term notes, not the long-term bonds that Japanese institu-

amounts for more than a decade.

and longer-term U.S. bond yields are forced higher and higher, and other American interest rates rise

with them. Other investors have

to be persuaded to buy dollars.

and not many have been willing

to do so as they see the currency

States itself has increased the

size of the dollar problem. The

U.S. trade deficit is growing at a rate of well over \$120 billion a

year, but that is only part of the

story. The world has also changed

for American investors since the

1980s, when the trade deficit last

was growing.
U.S. pension funds, mutual

funds and insurance companies

At the same time, the United

continue to fall.

The net result is that medium-

By Jim Hoagland Panama's president backed out of

to get along with the American a deal that would have helped Mr. government of the moment was a Clinton cope with the Haiti refumajor asset for many politicians abroad. Protection from invasion, gee problem, Germany's economics minister excoriated U.S. leadfinancial aid and political prestige flowed to those who managed the Washington account skillfulership on financial and trade matters, and France led the other ly. Grateful electorates consis-Group of Seven members in turntently promoted or returned their ing aside a Clinton proposal to start a new round of international

Americanologists to office.

For Liberal Democrats in Japan and Christian Democrats in Germany and Italy, for satraps in Zaire and the Philippines, cultivating or monopolizing the American connection was a career in itself. The American premium could decide elections, or keep the army in line.

That obviously changed with the disappearance of the Soviet threat, which dramatically reduced the urgency of the need to cooperate with Washington. And America's budget deficits ended the chances for U.S. largesse abroad. These are changes that President Clinton did not cause, as his advisers anxiously stressed during briefings for reporters in Naples about the president's lowkey performance there.

There has been an evolution in America's appropriate role in:

future. "We thought it was like losing 100 divi-

and China's success in isolating its billion peo-

ple in those years was a similar phenomenon. How long will it take for the North Koreans to

Pyongyang's decision to forbid entry of all

foreigners until after Kim Il Sung's funeral (very

few are admitted in the best of times) suggests

that the remaining leaders are not at all sure of

what they have created. What lies behind those

In any case, they are a reminder that our instant communications aren't all that global

North Korea is worrisome because we can't see in

beyond what it chooses to display. But we must

also realize that they haven't been able to see out

now are investing a higher and higher proportion of their assets

abroad: Last year alone, American investors bought \$130 billion

of foreign stocks and bonds. The

outflow of investment dollars may slow somewhat this year to

about \$100 billion, but the trend

is likely to be permanent as all

these investment funds grow and

ir advisers look for returns

This combination of the trade

deficit, the portfolio outflow and the normal foreign investments

of U.S. corporations means that about \$300 billion in new dollars

is being pushed out into the mar-kets in 1994, and they have to be

financed somehow.

The Clinton administration

has failed to see that the financ-

ing problem now is much bigger

than in the past, and has even become significant in relation to the overall economy.

a natural magnet for overseas

capital, given the dynamism of

the economy and the depth and

breadth of the capital markets.

Dollar securities are by far the

biggest proportion of interna-

Of course, the United States is

markets across the globe.

for generations. So they all bawl in unison.

Beware, This Decline of the Dollar Is Dangerous

By Geoffrey Bell

A small change in the way the world thinks about

the dollar's prospects can result in enormous sales.

regain some sense of human normalcy?

The mass mania of the Cultural Revolution

sions," a Russian told me later.

agonized robotic masks?

the world," one of those advisers said. "There was a time when America could, in effect, lay down a proposition and expect others to agree with it. That's not the type of leadership Bill Clinton is trying to bring. He wants to show respect for other nations and treat them as

more equal partners." But that misses the point. Mr. Clinton has not yet demonstrated what type of leadership he is try-ing to bring to world affairs or how treating others "more equally" in foreign policy is in Ameri-

His early efforts at a multilateralism that would reduce America's burdens while giving international organizations larger decision-making roles have been sidetracked. Cooperating with America in the time of Bill Clinton does not generate enough

prestige, it seems, to justify accepting restraints or risks.

That point was driven home by the presence at the Group of Sev-en summit in Naples of a Socialist prime minister from Japan, an mimaginable development even

a few years ago.

Local politics and the needs of emergency coalition-building dictated the Diet's stopgap choice of Tomiichi Murayama as prime minister. But their action also reflects an apparent feeling in the Diet that Japan had little to lose in its American relations by choosing a Socialist as the na-tion's chief executive.

Japan's conservatives were unable to show that their continued presence in office would give Ja-pan any political advantage in dealing with Washington. The Clinton administration said as much in pushing trade negotia-tions to the brink and proclaiming that Washington would no longer make concessions on economic matters to allies.

The cancellation of the American premium in international politics is no doubt inevitable and perhaps appropriate. But the president has to find effective new incentives, and punishments, to go with the "respect" he wants to offer other countries if he is to have an effective foreign policy.

tional assets. But that means that

they are more vulnerable to sud-

A small change in the way the

world thinks about the prospects-

of its dollar investments can re-

sult in sales worth handreds of

Once the dollar begins to slide

no one knows what might happen in the minds of those foreign in-

vestors. The White House may be right (and lucky), and the fall in

the dollar may turn out to be temporary and modest. But a

wave of selling could accelerate, forcing down the prices of bonds

and forcing up long-term interest rates well beyond 8 percent. That

would put the brakes on growth,

which is precisely what President

Clinton does not want to happen.

A falling dollar already has brought higher interest rates. Par-

adoxically, a sharp and immedi-

the process now under way.

about raising interest rates, or the

The writer, secretary of the Group of Thirty, a research group of international bankers and eco-

nomists, heads his own financial consulting company in New York. He contributed this comment to the

International Herald Tribune.

spiral may only go deeper.

den shifts in sentiment.

billions of dollars. 🐣

The Washington Post.

# Gets Bigger And Smaller

By Geir Lundestad

OSLO — Today, computer to technology enables us to move money and information quickly. Television gives us ring. side seats at great events almost anywhere. Many of us have taken package tours to the farthest cor-ners of the globe. In their own ways, the greenhouse effect and the international drug trade show that the world is getting smaller.

Political organizations reflect this shrinking world. The United Nations and GATT regulate glob al affairs, while a variety of organizations with gobbledygook names monitor regional integration.

But the world is also growing bigger. In 1945, the UN had 51 member states; today the number is 184 and rising. Nearly all enpires have collapsed; such large states as India and Canada are threatened with disintegration. China's future may be uncertain, though 94 percent of its people are Han Chinese. The United States is the exception that proves the rule In Eastern Europe, even smaller states like Yugoslavia and Czechoslovakia have fragmented. In most West European countries, a milder form of nationalism, regionalism,

How can the world be growing and shrinking at the same time?
One explanation is that we are looking at processes in different areas. It is principally in econom-ics and technology that the world is getting smaller, while in some ways it grows bigger politically. There is no necessary interrelation between these areas.

We have undergone at least three industrial revolutions, but they have by no means erased political boundaries, as Marxists and free traders alike predicted. On the contrary, economic internationalization and political nationalism appear to have devel-oped hand in hand.

I believe that integration and fragmentation can stimulate each other, and that the stronger the integration, the stronger the frag-mentation. This is what has in fact happened, for what are prob-

ably deeper underlying reasons.

Psychologically, most of us notice that when traveling abroad we become more, rather than less. nationalistic. When external pressures are strong, we feel the need to redefine our identity. This applies not only to individuals but to regions and ethnic groups.

In the technology and media fields, we can now watch world events "live," but television has at the same time become so simple that even local cultures can exploit it. When Welsh television was established, more people began to speak Weish, and not just English, in Wales.

Politically and ideologically, we have seen how the collapse of distance his in Restaurance European

dictatorship in Eastern Europe has stimulated democracy in other parts of the world. But the ideology that is easiest to transplant from one region to another is probably nationalism. Whereas carlier peoples might disappear,

ate increase in short-term interest rates by the Federal Reserve might block the steady path to new ones resort to nationalism. Economically there can be no doubt that we are being bound ever more closely, but precisely because we are so mutually inte-grated, the minimum resources, in even higher interest rates for long-term securities by reassuring investors that there is an end to population and resources, re-The White House will argue quired for survival as a state beigainst this, warning that a rise of come lower. And in Scotland or half or one percentage point in Catalonia or northern Italia re-gionalists and nationalists can arshort-term rates would jeopardize economic growth. But doing nothgue that the common EU frameing to stabilize the dollar is poten-tially an even bigger risk. The best work makes greater autonomy, policy is to do something quickly

even full independence, viable. For these reasons, the world seems likely to continue to grow both bigger and smaller at the same time. This tension is just

what lends such exciting dimen-sions to developments in the EU. Yet it reflects the fact that, espe-cially in economics, Europe has grown smaller. Many believe that we need political systems that correspond more closely to present economic realities. But the histories of empires and large states show that it will not be easy should that be our aim, to develop a United States of Europe.

The writer is director of The Norwegian Nobel Institute. He contributed this comment to the International Herald Tribune.

# Who Cares About Slavery in Africa?

By Charles Jacobs and Mohamed Athie

N EWTON, Massachusetts — Last month, Amnesty International's American branch decided it was time to abolish slavery. Presented with evidence of human bondage in North Africa, the members voted to add to an already crowded mandate the emancipation of chattel slaves. It may be hard to believe that in 1994 a new abolitionist move-

ment is needed. Today, in the former French colony of Mauritania, where slavery was ended (on paper) in 1980, the U.S. State Department estimates that 90,000 blacks live as the property of Berbers. Per-haps 300,000 freed slaves continue to serve their former masters because of psychological or

economic dependence.

Blacks in Mauritania were converted to Islam more than 100 years ago, but while the Koran forbids the enslavement of fellow Muslims, in this country race outranks religious doctrine.

These people are chattel used for labor, sex and breeding. They may be exchanged for camels, trucks, guns or money. Their children are the property of the master

A 1990 report by Human Rights Watch/Africa said that in Mauritania rontine punishments for the slightest fault included beatings, denial of food and prolonged exposure to the sun, with hands and feet tied

together. "Serious" infringement of the master's rule could mean prolonged tortures known as the camel treatment, the insect treatment" and "burning coals" - none of which is fit to describe in a family newspaper.
To the east, in Sudan, slavery

is making a comeback, the re-sult of a 12-year-old war waged by the Muslim north against the black Christian and animist south. Arab militias, armed by the government, raid villages, mostly those of the Dinka tribe. shoot the men and enslave the women and children. These are kept as personal property or marched north and sold.

Many of the children are auctioned off. Gaspar Biro, a United Nations human rights monitor, returned from Sudan in March reporting that abducted children are often sent to camps that become 20th century slave markets. The price varies with supply. In 1989, a woman or child could be bought for \$90. In 1990, as the raids increased,

the price fell to \$15. Not only are their bodies in bondage. They are also stripped of their cultural, religious and personal identities.

An investigator from Anti-Slavery International interviewed Abuk Thuc Akwar, a 13year-old girl who, along with 24 other children, was seized by the militia, marched north and given

day she worked in his sorghum fields and at night in his bed. During the march she was raped and called a black donkey," the investigator wrote in a 1990 re-port. She escaped with the help of the master's jealous wife. Another report described Kon, a 13-year-old boy who was abducted by Arab nomads and taken to a merchant's house. There he found several Dinka men hobbling their Ackilles tendons cut because they refused to become Muslims.

Threatened with the same treatment, the boy converted. After six months, he escaped. Kon was lucky. Slaves caught fleeing are often castrated or branded like cattle.

Human rights groups are the first to admit their failure to organize support for Africa's slaves. Anti-Slavery International is courageous but small and underfinanced.

People at Africa Watch privately despair about Maurita-nia: "No one is interested in a French-speaking country of only 2 million and no oil," one researcher said.

Mr. Jacobs is research director of the American Anti-Slavery Group. Mr. Athle, formerly a consular officer at the Mauritanian Embassy in Washington, is chairman of the organization.
They contributed this comment to The New York Times.

# Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unso-licited manuscripts.

1894: Corean Imbroglio

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

PARIS - There are some questions in Europe the solution of which is somewhat complicated, that of the Balkans, for instance, but there is nothing in Europe, Africa, America or Australia comparable to the Corean imbroglio. One day everything is lost, twenty-four hours later everything is arranged, next day Japan

and China both intervene, and then follow it up by the declaration that Corean affairs are not their business. In the meantime Chinese and Japanese troops are encamped face to face.

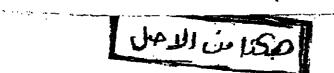
1919: Marshals Honored

PARIS - Parisians flocked yesterday [June 13] in countless thousands to the City Hall, eager to cheer the three Marshals of France who were to be presented with swords of honor as a mark of

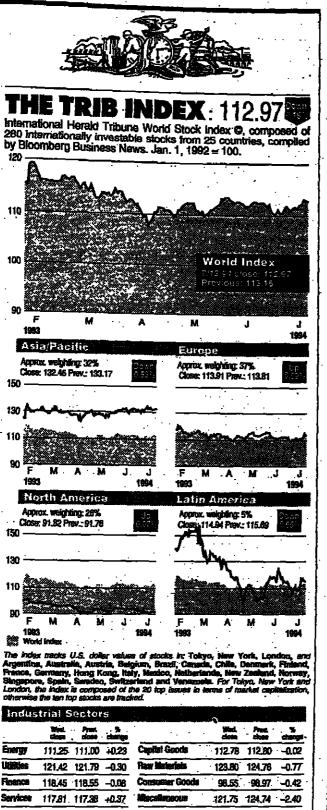
the gratitude of the population towards the great military leaders who prevented the German hordes from entering the capital. Marshal Joffre was the first to receive his sword, When M. Evian handed to Marshal Foch his goldhilted sword, the recipient seemed deeply moved. General Petain's pale face colored slightly as he took the gift of grateful Pans.

1944: Gandhi Vows Help. NEW DELHI, India — From our New York edition:] Mohan

das K. Gandhi has pledged not to renew his campaign of civil dis-obedience during the war, and instead has promised to help the Allied war effort and has envisaged a Nationalist government of India under a British Viceroy, His statement outlined what was interpreted as a formula for settlement of the political impasse be-tween Britain and India



Page II



Services 117.81 117.38 +0.37 Macelleneous

For more information about the Index, a booklet is available free of charge.

The Index 191 Avanua Charles de Gaulle, 92521 Neully Cedax, France.

# Satellite Shake-Up In Asia

By Kevin Murphy

HONG KONG - The China-backed Apstar I communications satellite has yet to be blasted into orbit, but it is already rattling more than its

launch pad.
The Chinese government has apparently decided to allow. Apstar 1's launch next week but it has not yet been cleared either by international regulators or by owners of the satellite's prospective neighbors in space.
At this point, Apstar 1's targeted slot is so close to that of

other satellites that most analysts agree the move could cause cause interference, hampering the performance of other

The brinkmanship also raises potentially complex questions for Apstar 1's clients, many of whom are broadcasters keen to gain Asia-wide distribution equal to that now enjoyed by the industry leader STAR TV,

owned by News Corp.
Analysts said China's ultimate course of action could carry expensive consequences for the growing number of companies involved in the race to expand broadcasting and telecommunications services in Asia.

Individual satellites cost up to \$200 million and the lease of an individual transponder, or transmission point, on a satel-lite costs up to \$1 million a year in Asia now, but if a free-for-all developed in space it could force vast technical changes on existing earth-bound technology, with even greater costs.

space is a very daring, very risky, highly capitalized busiwhere most of the investment is actually on the ground," said one senior industry consultant of the building controver-sy. "If the rules of the game are not being played by, the damage can go beyond the pride of one country.

Pressed by the unique situa-See SATELLITE, Page 13

# CBS and QVC Scrap Their Merger Plan

## Both Firms on the Block

PHILADELPHIA — Comcast Corp. has thrown CBS Inc. by Tele-Communications Inc., and QVC Inc. into an ever and Time Warner Inc. expanding pool of media takeover targets after busting up the planned merger between

home-shopping concern. Comcast, a cable television and cellular telephone company, scuttled the planned com-bination with an eleventhhour bid for the 85 percent of QVC that it does not already

Barry Diller, QVC's chair-man, said Wednesday that he has been authorized by his board to negotiate with Comcast and explore alternatives to maximize shareholder value. Other bidders for OVC

could emerge, including Bell-

Network Inc., which is backed lysts and traders said.

Laurence Tisch, chairman of CBS, vowed that the New the television network and the York-based broadcasting company would "continue to pursue new business opportunities." CBS said it planned to make a \$1.1 billion offer to buy back 3.5 million shares of its stock at \$325 a share. The company also will split its stock on a five-for-one basis.

"CBS has put up a 'for sale' sign, and \$325 is the floor for bidding to begin," said Richard Grand-Jean, president of Global Film Equity, a media consulting firm. In this sense,

See MERGER, Page 10

# Comcast Makes Surprise Offer for QVC

PHILADELPHIA — CBS Inc. scrapped its plan to ac-quire QVC Inc. on Wednesday, following a surprise offer from Comcast Corp. to buy QVC for \$2.2 billion.

In a last-minute effort to thwart the purchase of QVC by CBS, Comcast, which is a minority shareholder in QVC, stunned the entertainment industry late Tuesday by an-nouncing an uninvited bid to take over QVC.

In a bizarre twist to the plan to merge the top-rated U.S. television network with the largest home-shopping chan-nel, Comcast launched its bid just hours before the boards of CBS and QVC were scheduled to vote on their merger.

CBS Chairman Laurence

By Jacques Neher International Herald Tribune

would not pursue the OVC acquisition. Barry Diller, QVC's chief, said his board agreed to negotiate with Comeast.

Comcast, based in Philadelphia, already owns 18 percent QVC. The company is the third-largest cable TV operator in the United States as well as a large provider of cellular telephone services. Comcast also owns Muzak, a background music system.

Comcast offered \$44 a share for QVC, consisting of \$37 a share of cash and \$7 of a new series of 7.5 percent convertible preferred stock. By contrast, OVC stockholders would have received a mix of new CBS stock and convertible shares, but no cash from CBS.

Shares of QVC surged on

The stock had traded as high as \$72.50 last July amid hopes that Mr. Diller would propel the company into the muchtouted world of interactive, multimedia communications.

CBS shares rose \$8, to \$308. The company said Wednesday that it planned to make a \$1. billion offer to buy back 3.5 million shares of its stock at \$325 a share.

For QVC, the surprise bid was an ironic turn. Only months ago, QVC was engaged in a five-month hostile takeover bid for Paramount Communications Inc. Mr. Diller, backed by Comcast and others, lost the battle in February to Viacom Inc.

# Traders Skeptical As Dollar Noses Up

Contriled by Our Staff From Dispatch

NEW YORK - The dollar made a mild recovery Wednesday, breaking out of its recent cycle of decline, but dealers were unconvinced that market sentiment had changed from its previous bearishness toward the U.S. currency.

"We're seeing dollar stability as opposed to dollar strength," said Siobhan Lackey, a trader at Bank Julius Baer. "We might be reaching a bottom, but I don't think we've reached one just yet." Much of the upturn was characterized as short-covering by traders and speculators hoping to take profits after shorting the dollar's

The U.S. currency closed at 1.5413 Deutsche marks, up from Tuesday's ending price of 1.5280. It finished the day at 98.225 yen, up from 97.325.

The dollar received a boost Wednesday afternoon from specution that the Federal Reserve Board was about to raise rates. "The market had been holding back from putting downward pressure on the dollar" in the event that the consumer price index rose strongly, "but they began to sell after it came out pretty much as expected," said Hartmut Voges, chief spot dealer at Nordeutsche Landesbank in Hannover.

"People are convinced that the fundamentals behind the dollar's fall are still in place," said Brian Martin, senior economist at

"It's not clear yet that there's a floor under the dollar," said Kathy Jones, currency analyst at Prudential Securities. Since the beginning of July, the dollar has lost 9 percent of its

See DOLLAR, Page 10

Last week, Pierre Suard,

French Water Firm in Inquiry

PARIS - The stock of Comegnie Générale des Eaux slid Wednesday on a report that the Justice Ministry was looking into allegations that France's largest water-distribution and waste-management company had made illegal political contributions to win public contracts.

The company denied any improper contributions, but was mable to halt the slide in its stock, which fell 2.2 percent, to 541 francs (\$102.92).

Revelations of a preliminary investigation into the contributions by the satiric newspaper, Canard Enchaîne, is the third such affair involving a French blue-chip company in the past two months.

In May, Didier Pineau-Valencienne, chairman of Schneider SA, was jailed for nearly two weeks in Brussels and charged with fraud in connection with the activities of two Belgian subsidiaries. Mr. Pineau-Valencienne, who de-

chairman of Alcatel Alsthom, was held by police for a day and charged with fraud in connection with improvements made at his personal residences at utilities business in France has company expense. He claimed been awarded to private comthe improvements were restricted to a security system that he Eaux has around half of the needed because of his job. He business and Lyonnaise des was freed after posting a bond of 1 million francs.

The stock of Lyonnaise des Eaux-Dumez, a rival of Générale des Eaux, also was affected by news of the probe, but to a on Wednesday.
"The market is very nervous

about this sector, which has al- to elections on the French isways been vulnerable to rumors land of Reunion between 1992 of political payoffs," said a and 1994, and on its business London analyst who follows the over the past decade with a contwo companies.

win a contract in the waste- munist Party. The prosecutor, management, water-treatment or water-distribution business

nied any wrongdoing, is free on is to improve the status and life 2 million francs (\$380,500) of the local public officials awarding the contract," he said. "This investigation is the first confirmation that there may be something to the rumors."

Over the past two decades about 80 percent of the public panies to operate. Générale des Eaux has an estimated 30 percent. The remainder is split between units of Bouygnes SA and Compagnie de Saint-Gobain SA.

According to a report by an assistant prosecutor cited by shipped I franc, to 518 francs, the French newspaper, the probe of Générale des Eaux is focusing on contributions made o companies. sulting company called Gifco, "It is thought that one way to which was linked to the Com-

See WATER, Page 11

#### INTERNATIONAL MANAGER

# How to Beat the Expatriate Dead End

nal Herold Tribine

EW YORK -The direct-dial international telephone, the fax machine and the jet plane have been notorious in diminishing the status of most ambassadors to that of elegant errand-runners. Now it is the turn of the multinational manager to lose freedom and autonomy, which once were the principal attractions of jobs as far as possible from the home office. The villain, as usual these days, is global competition. Tariff walls once protected national markets, and behind

them foreign subsidiaries were set up to produce and sell a parent company's products. The subsidiary manager was supposed to expand the business like an independent entrepreneur and run its operations like a local potentate. No longer. While a middle manager may be sent out from the home office for

some international seasoning, he or she remains under close supervision via cor-porate financial controls. The expatriate manager may be ordered to cut prices and even lose money like a good corporate soldier in order to keep some competing brand of toothpaste or tractor out of his assigned territory.

Is there a path out of this dead end?

There certainly is, says a report to be issued Thursday by the Conference Board on "The Changing Global Role of the Foreign Subsidiary Manager." Stephen Gates, head of the board's Paris office, conducted interviews in depth mathematical and received 22 detailed with managers and received 82 detailed

questionnaires from a representative sample among more than 2,000 companies in 50 countries that are associated with the board.

"It is more and more difficult to hide from the head office now," said Mr. Gates. "They can track you anywhere. The way to get more freedom is to carve out a niche for your own subsidiary.

Offer new product ideas. Position the product in a new and innovative way. Make your subsidiary a center of excellence for some research, production or ser-

It is difficult to hide from the head office now.

the Conference Board

vice specialty and persuade headquarters to assign worldwide responsbility to you." He cited the example of ABB Asea Brown Boven Ltd. the Swedish-Swiss construction and electronics conglomerate that follows a strategy of decentralized excellence. Top-down U.S. multinationals are more likely to resist, so it may help to recall the trials of Ford Motor Co. and General Motors Corp., which were forced to draw on the design, marketing and finally manufacturing skills of their successful European managers.

Two less publicized examples of resisting the not-invented-here syndrome come from the U.S. subsidiary of NEC

Corp. and and the Canadian subsidiary of Monsanto Co.

NEC's American subsidiary was ordered to build and sell a widely ac-claimed new digital switchboard that had been designed for Japan's telephone monopoly. Local management found the switchboard could not handle billing for competing long-distance companies or call-waiting, call-forwarding and similar American revenue-spinners.

Patiently but agonizingly, NEC's American manager, Howard Gottlieb, convinced his Japanese bosses that their switchboard had to be redesigned, dispatching his own software engineers to participate. His design team was expanded from 10 to 50 and eventually supported new products for Asia as well as America.

Monsanto Canada was squeezed by consolidation because it traditionally had manufactured a range of chemical products only for the local market. Ian Lennox, the Canadian manager, aimed to make his subsidary the world producer for the company's best-selling herbi-cide by investing \$15 million to streamline manufacturing and funding \$6 million worth of research.

Finally, if a subsidary manager is essentially a marketer, the next step would be to become the regional coordinator. This in itself should enhance the essential strategy of decentralization and global integration that any multinational must pursue, said Mr. Gates, and "show headquarters that a tour abroad is not just an exercise in getting your ticket punched for the next step up."

### Fun Guy' Puts Eli Lilly on World Stage 110.

By Milt Freudenheim

The friends of Randall L. Tobias portray him as a "fun guy" whose small-town style and Indiana affability sometimes

mask a steely, business-minded core. Both faces have been showing at Eli Lilly & Co., the staid Indianapolis-based drug maker that Mr. Tobias took over last year as chairman and chief executive. In just 13 months at the helm, Mr. Tobi-

as has transformed Lilly from a slow-moving, somewhat insular giant into an aggressively entrepreneurial international player. On Monday, Lilly announced that it would spend \$4 billion to buy the country's largest manager of drug benefit pro-

Mr. Tobias said there would be more surprises. "I anticipate doing other things," he said in a telephone interview after the announcement. He said his list included possible joint ventures, alliances and acquisitions as well as "additional investments in various markets around the

He noted that he had increased Lilly's staff in China from a single representative to 100, and said he was working on new relationships in both Europe and Japan."

Wall Street investors initially took a dim view of the deal, driving Lilly shares down \$7.375, or 13 percent, on Monday. The stock fell \$1.625 on Tuesday, to \$48.375, in active trading on the New York Stock Exchange. On Wednesday afternoon, however, the stock was up to \$48.750.

Until members of the Lilly board re-cruited him in June 1993, Mr. Tobias, who is 52 years old, had spent his career with AT&T Corp., where one of his main

achievements was breaking into world

In buying PCS Health Systems Inc. from McKesson Corp., Mr. Tobias is wagering that the acquisition will enable Lilly to pump up its drug sales fast enough to overcome the debt the company will as-

"This is a high-stakes poker game," said Ben F. Love, a Houston banker, Lilly board member and a Tobias partisan. "The CEO can't hold a pat hand."

Some analysts said the PCS acquisition would enhance Lilly's attractiveness to overseas drugmakers seeking market share in the United States. Last year, Lilly bought a drug development center in Brus-sels from G.D. Searle & Co.

During his seven years as vice chairman See TOBIAS, Page 11

# Probing TV Eye: Can Auto CEO Change the Oil?

By Doron P. Levin New York Times Service

NEW YORK - Michael Moore, the counterculture film maker who skewered General Motors Corp. and its chairman, Roger B. Smith, in the mordantly humorous "Roger and Me," is at it again - and this time his camera lens has widened to include all of Corporate America.

A few weeks ago, Mr. Moore, accompanied by a film crew, stood outside the International Business Machines Corp. building in Manhattan, his bullhorn aimed at the office of Louis V. Gerstner Jr., the chief executive officer.

"Mr. Gerstner," boomed Mr. Moore "Come down. This is The CEO Challenge.' Come down. We are unarmed. All we want is to find out if you can format a

floppy diskette."
Mr. Gerstner can format a diskette, according to a spokesman, but he was not about to do it for Mr. Moore, who wanted the demonstration for his new television

Mr. Gerstner was not alone. More than 60 corporations have turned down Mr. Moore's request to film their bosses demonstrating their knowledge of a product

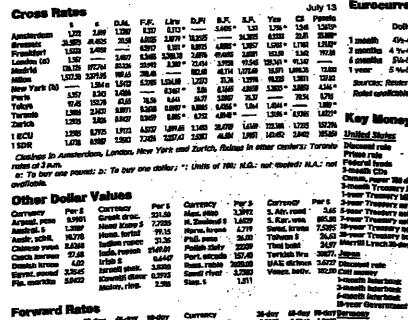
their company makes.
Only the Ford Motor Co. chairman. Alex Trotman, agreed to go along, changing the oil on a Ford Explorer.

"CEO Challenge" is but one way in

which Mr. Moore will be applying to the world of business an irreverent variation

See MOORE, Page 11

#### **CURRENCY & INTEREST RATES**



Yen ECU 4%-6% 4%-4% 5%-5% 5%-5% 4 %-4 % 4%-14 5746 % 2 142 % 514512 414414 514614 414614 Sources: Resiters, Lloyde Book.

Privace ... 400 505 405 405 405 405 ing prices: New York Comex (Acu

## **Swiss Accuse** Germany of **Unfair Play**

GENEVA - A Swiss official on Wednesday accused Germany of using power politics and economic muscle in its bid to wrest the World Trade Organization from Geneva to Bonn.

François Nordmann, a Swiss Foreign Ministry official, said there was a "certain lack of fair play" in the German campaign. Trade envoys will meet Friday to recommend which city should host the new organization, which succeeds the General Agreement on Tariffs and

Trade on Jan. 1. Mr. Nordmann was especially critical of Germany's synopsis of the two bids and described as "wrong" German claims that the cost of living in Geneva was 30 percent higher than in Bonn

Mr. Nordmann said that Boan's tactics might jeopardize the independence of the new trade organization. (AP, Reu-



#### MARKET DIARY

# **U.S. Shares Erase** Gains In Late Trade

Compiled by Our Staff From Dispatches rise fast enough to crimp earn- mists' expectations.

The Dow Jones industrial average fell 2.59 points, to U.S. Stocks / 3 P.M. Snapshot

3,700.09, in late trading having retraced all of its 20-point gain. Comcast was the most active U.S. issue, followed by QVC, Cisco Systems, Ford Motor Co., and Regency Health Ser-

vices Inc. Tom Gallagher, head stock trader at Oppeheimer & Co. said a recovery in the dollar had kept the Dow above 3,700 for most of the day. Mr. Gallagher added that Friday's double options expirations should add an upward bias to the market, but investors are still nervous before the economic reports due

out later this week. Initial unemployment claims due out on Thursday, and industrial production, capacity utilization and consumer sentiment data are expected Friday.

Stocks rose early in the ses-NEW YORK — U.S. stocks sion along with bond prices, af-reversed gains built an inflation ter the Labor Department said report that reassured investors consumer prices rose 0.3 perthat interest rates would not cent in June, in line with econo-

> The report came one day after the Department said prices at the manufacturing level held steady in June.

Bonds rose as much as 1/2 point after the report was released but then eased in late; morning, pulling stocks lower

The U.S. 30-year government bond yielded 7.67 percent. down from 7.68 percent on Tuesday, and was priced at 83 Both the consumer and pro-

ducer price reports "drop inflation out of the worry quotient for the time being," said Thom Brown, market strategist at Rutherford, Catherwood & Brown in Philadelphia.

Technology stocks were and June retail sales figures are strong for the second day in a row, supported by unexpectedly bullish earnings reported Tuesday by Motorola.

(Bloombers, AP.

### **DOLLAR:** Traders Are Skeptical

Continued from Page 9

value against the mark and 7 percent against the yen. So far this year, the currency has fallen 12.4 percent against the year and 11.6 percent against the

Currency players were looking ahead to U.S. retail sales data, due out Thursday, for further direction, according to the traders. In addition, traders have not ruled out the possibili-

Foreign Exchange ty that the Fed could still raise

"There's justification on the part of the Fed for a rate hike because the real economy is still showing some strength and inflationary threat," said Stuart Thomson, analyst at Nikko Europe. "However, what we've seen justifies a quarter point rise, not a full half point." Such a rise would not be enough to reverse the dollar's slide, ana-

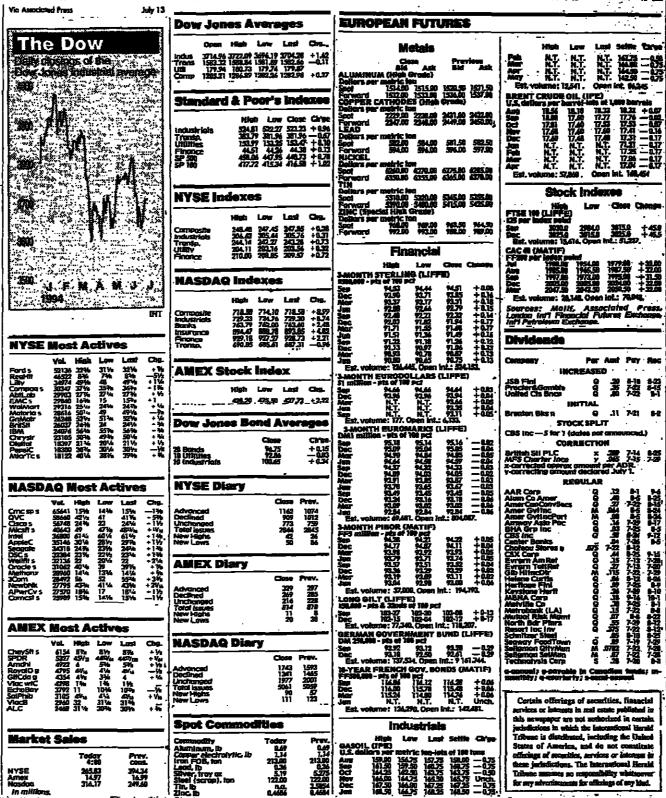
lysts said. The market is only interested in one thing — a substantial increase in U.S. rates," said Peter Grossmann, senior trader at American Express Bank in Frankfurt. "Even if they increase rates by half a point, it won't help the dollar for the

The target for the federal funds overnight interbank loan rate is now at 4.25 percent. Meanwhile, the Fed's discount rate, charged on its direct loans to banking institutions, is at 3.5

There is little prospect of respite for the dollar from a cut in the German discount rate. In. the past, the Bundesbank has allowed the gap between its securities repurchase rate and the discount rate, which acts as the floor for German money market rates, to narrow to 25 basis points, or one quarter of a per-centage point. With the dis-count rate now at 4.5 percent, the gap stands at 41 basis points

A smaller-than-expected decline in the Bundesbank's 14day securities repurchase rate Wednesday signaled that the German central bank was not prepared to swerve from its policy of letting rates drop gradually. The Bundesbank trimmed its repurchase rate by 2 basis points, the smallest cut in 20 weeks, to 4.91 percent.

The British pound closed at \$1.564, down up from \$1.5685. The dollar rose to 5.2785 French francs from 5.2465, and strengthened to 1.2998 Swiss



## MERGER: CBS and QVC Are on the Sales Block After Comcast Bid

Continued from Page 9

CBS has joined QVC on the auction block." Analysts think QVC ultimately could fetch \$60 a share, or 12 times its estimated cash

The bid is insufficient and is unlikely to pass muster with at least two key QVC shareholders -TCI and Time Warner," said francs from 1.2900. (AFX, Craig Bibb, an analyst at Network Inc., is also mentioned Knight-Ridder, Bloomberg) PaineWebber. "Comcast will be as a possible bidder, backed by

forced to improve its offer, or another bidder may emerge.

Speculation on possible bid-ders focused on regional telephone companies, mainly the Atlanta-based BellSouth, which had teamed with Comcast in backing QVC's failed bid for Paramount Communications

QVC's rival, Home Shopping Network Inc., is also mentioned

happy with the Comcast pro-posal.

For its part, Time Warner, which owns a 7 percent stake in OVC, also has been named a candidate since the media company has planned electronic re-tail joint ventures with CUC International Inc. and Spiegel

TCI, another major owner of book and an interest in elec-QVC, which is said to be un-tronic retailing is a possible bid-happy with the Comcast pro-der," Mr. Bibb said.

Many analysts said they believed CBS would be sold. The CBS-QVC merger had been "a thinly veiled means for Tisch to cash out most of his CBS investment and bring in his replace-ment while maintaining a stake c. in the upside created by Barry
"Anyone with a big checkDiller," said Mr. Bibb.

# U.S./AT THE CLOSE

**Boston Fed Names a New President** 

WASHINGTON (NYT) - The Federal Reserve Bank of Boston announced Wednesday that it had named as president a central banker who is a specialist in bank regulation and financial

markets but has little background in interest-rate policy.

Cathy E. Minchan, 47 years old, is widely believed to share the monetary policy views of her colleagues at the Boston Fed, who have long had a reputation within the Federal Reserve System for being rejuctant to raise interest rates and thus curb economic growth in order to keep inflation under control.

But Wall Street analysts said that her past emphasis on banking and management issues made it unlikely she would change significantly the overall tone of debate on interest rates within the nation's central bank.

## U.S. Investigates CD Trade Practices

WASHINGTON (WP) — The Justice Department has launched an investigation into possible antitrust violations in the compact disk industry. The investigation involves licensing praccompact-disk industry. The investigation involves incensing practices of companies that developed technology used in compact disks, the optical platters that store music and computer data.

At the heart of the industry are Philips Electronics NV and Sony Corp., which developed technology used in the disks and reap millions of dollars in royalty fees from their patents. According to some executives in the industry, the two companies licensing agreements are restrictive and have hampered competition in the field.

tion in the field. "Normally, once you license a patent you're free to develop the product any way you want," said James DeVries, executive vice president of Quixote Corp. of Chicago, which makes compact disks. He said the licensing agreements from Philips and Sony

Neither Philips nor Sony would comment on the investigation.

A Justice Department spokesman confirmed that an investigation make innovation difficult. into the disk market was under way but would not name companies involved.

#### **Woolworth Cuts Dividend in Half**

NEW YORK (Bloomberg) — Woolworth Corp. cut its dividend nearly in half Wednesday, seeking to free up cash to invest in

In cutting its quarterly payout to 15 cents a share from 29 cents, Woolworth brought its dividend down to its lowest level since 1987 but also brought it more in line with the approximately 3 percent yields other retail companies offer their shareholders, analysts said.

#### **Weak Demand Hits Weyerhaeuser**

TACOMA, Washington (AP) - Weyerhaeuser Corp. revealed Wednesday that its second-quarter earnings dropped a dramatic 30 percent, partly because of depressed worldwide demand and prices for some products.

Earnings for the quarter ended June 26 were \$128.9 million, or 62 cents a share, down from \$181.5 million, or 89 cents a share, a year earlier. Second-quarter net sales increased 9 percent, to \$2.6. billion, from the year-earlier \$2.39 billion.

#### U.S. Price Increases Slight in June

WASHINGTON (Renters) — U.S. consumer prices rose a moderate 0.3 percent in June, the government said Wednesday, in the second straight batch of inflation figures that should calm

fears that the economy is in danger of overheating.

The report, coming on the heels of news that wholesale prices were steady last month, further reduces the likelihood the Federal Reserve Board will feel compelled to boost interest rates soon to quell inflation pressures.

Gasoline prices, which tumbled in May, rose last month, the Labor Department said, while fresh vegetable prices posted their largest rise in a year. The prices of medical care, clothing and airline tickets also rose.

U.S. to Redesign Paper Currency
WASHINGTON (Bloomberg) — The Treasury Department
unveiled plans Wednesday to change the face of U.S. currency, starting in 1996 with a larger, off-center picture of Benjamin Franklin on the \$100 bill.

Treasury Secretary Lloyd Bentsen, appearing before the House Banking Committee, outlined changes in paper, ink and design of currency in an effort to "enhance its security in this time of rapid technological change." The new designs will keep the same color, symbols and size of current bills. But their basic appearance will be reconfigured for the first time in 65 years.

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#### time being.' **WORLD STOCK MARKETS** Cless | 57.50 57.4 359 761 167 170 750 750 17% A 5% 12 17% 5% 5% 18% 18% 18% 18% Toronto Aritist Price 16th Aritica Espate 14th Aritica Espate 15th BC Gas 15th Brumslee 122 Aritica Aritica 15th Canada 15th Cana Ed. soiles 7.27 TeVa soiles 13,500 TeVa soiles 13,500 TeVa soiles 103,600 to 307 COCCAR (MCCSE) in marini trans 5 per 10 (MCCSE) in marini trans 120 (MCCSEE) in marini trans 1404 1405 1506 1506 1506 1506 1506 1506 9.70 9.70 44 6.79 72.90 72.10 72.90 72.10 72.90 72.10 72.90 72.10 72.90 72.10 72.90 72.10 72.90 72.70 216 124 1354 1354 1257 1257 1257 1257 115 +0.00% 115 +0.00% 134 +0.00% 134 -0.00% 137 -0.00% 131 +0.01 277 T.05 105 2.25% +0.03% 2.27% +9.02 2.26% +0.01 2.35 +0.01 2.45% +0.03% 2.45% +0.03% 2.45% +0.03% 2.46% +0.03% +0.20 +0.25 114.75 114.75 111.30 111.30 111.30 111.30 113.60 11 4.22% 4.14% 5.55 5.80% 5.55% 6.05 6.05 6.23% - 0.00% 6.17% + 0.82% 5.97% + 0.84% 5.90% + 0.64% 5.90% + 0.04% 6.02% + 0.05% 6.02% + 0.05% 6.02% + 0.05% COTTON 2 (SCT10) Sample-control (LLC) (CT10) Sample-control (LLC) +0.60 4.152 +0.60 22.521 +0.40 16.227 +1.20 24.407 +1.30 24.407 +1.40 2.340 +1.40 3.252 +1.70 1.421 +1.10 1.603 185,20 184,78 182,90 180,60 180,60 180,60 180,50 181,20 181,20 181,20 2435 7403 7403 7403 7403 7403 7770 1122 175 11344 1134 80,1% 23,371 4,582 3,584 3,675 468 2,663 1 MARKA STATE OF THE PARTY OF THE +0.25 +0.25 +0.25 +0.25 +0.16 +0.16 +0.16 +0.16 2,100 20,567 17,759 10,725 2,451 3,165 2,349 44 47 28 Johannesburg AECI 24.50 24 Altech 115 115 Analo Amer 724 22.30 Blywoor 18 18 Blywoor 18 18 Blywoor 18 100 165.91 Belles 45.91 46.91 De Beers 100 165.91 De Beers 100 165.91 Cencor 12 11.85 Gencor 12 11.85 G 2945 2900 2575 2530 4815 4726 900 884 2975 2935 2110 2055 210 2055 206 207 910 906 4818 4005 3200 3110 1800 1785 x : 380.82 E (CNER) ADMINISTRAÇÃO (STROCT) RUS (STROCT) 44,538 6,492 29,607 7,673 5,465 9,743 2,420 5,125 198 2,409 6.67 70.57 70.57 70.50 70.50 40.60 68.15 71.80 71.95 78.79 78.25 89.15 +8.50 26.00 +8.43 26.711 +8.23 11.502 +8.15 1.016 +8.15 1.016 +8.15 1.145 100 S. 10 Frankfurt 175 175 SEL 37.50 344 Hold 2415 7349 597 696 1015 970 271 277.79 po bonk 425 470 entrsk 446 452 710 710 18 3815 397 bonk 12289 330 ol 234.39 bonz 445 446 277.79 723.79 bonzk 77.79 723.79 445 446 277.79 723.79 581 300 10 24.93 10 84 277.79 723.79 481 482 483 277.79 723.79 A83 484 484 484 277.79 723.79 580 287 880 287 980 384 397 880 287 980 384 397 880 287 980 384 397 880 287 980 384 397 880 287 980 384 397 880 287 980 384 397 880 287 980 384 397 880 287 980 384 397 880 287 980 384 397 880 287 980 384 397 880 287 980 384 397 880 287 980 384 397 880 287 980 384 397 880 287 980 384 397 880 287 980 387 980 388 389 887 388 389 889 388 389 889 388 389 889 388 389 889 389 889 889 389 889 735 735 743 743 745 745 745 745 用用 77.45 77.25 78.10 78.25 78.25 78.25 78.25 +0.45 +0.40 +0.40 +0.43 +0.15 -0.10 AEG Alcufel SEL Allenze Hold Alfana Asko BASP Boy. Hypo bani Boy Vereinsbk BBC BHF Bonk BAW Commerzbank Commerzbank 43053 2011 2012 2011 2012 2011 2012 2011 2012 2011 2012 2011 2012 2011 2012 200 225 440 644 145 1777 754 157 177 754 157 177 755 157 177 757 157 177 757 157 +038 +039 +039 +035 +039 -039 -039 1,340 10,258 7,996 4,363 1,116 867 374 75 Sao Paulo vico de Brosil 17.50 19\(\) viscos de Brosil 17.50 19\(\) viscos 25.50 25.50 viscos 217 220 5. viscos 217 220 7. 4590254600025411184646577454421112554177546577454421112554177 -0.27 136 -1.57 22.473 +9.50 12.177 +9.50 1.536 +1.50 137 +9.50 35 +9.50 176 16.25 14.25 17.25 17.40 17.40 17.40 17.40 17.40 17.40 17.40

# **EU Fines Cardboard Firms**

BRUSSELS - The European Union on Wednesday imposed a record fine of 132.15 million European Currency Units (\$165 million) on cardboard manufacturers for breaking antitrust rules by fixing prices.

The four heaviest fines were levied on Iggesund Paperboard AB, the packaging unit of for-estry products company Mo Och Domso AB (22.7 million Ecus); Meyr-Meluhof of Austria (21.1 million Ecus); Meyr-Meluhof of Austria (21 million Ecus); Finnboard of Finland (20 million Ecus), and Cascades SA of France (16.2 million Ecus).

"The present case reveals once again a disturbing level of sophisticated cartel activity in a major industrial sector," said Karel Van Miert, the competition commissioner.

"It is amazing and very disturbing that after more than 10 years of active pursuit of secret

cartels and heavy fines the commission is still discovering classic market-sharing and price-fixing cartels in major industries," he added.

He said the investigation revealed a pricefixing system that involved cartel meetings in luxury hotels in Zurich, where a Swiss fiduciary, Fides, conducted an information exchange.

Mr. Van Miert refused to name the ringleaders, which he said had been fined 9 percent of their sales while the other companies had been fined 7.5 percent. Stora AB and a small Norwegian firm called Rena received reduced fines for

cooperating in the inquiry, he said.

The commission said the 19 companies that it fined accounted for almost all production of West European cardboard. The previous record for a fine was the 104 million Ecus that the commission charged 14 steel companies in Febmary for fixing prices.

(Reuters, Bloomberg)

# **Quell Fears** Of Inflation

U.K. Data

Compiled by Our Staff From Disparches LONDON - British economic data released on Wednesday cheered investors by suggesting that although the country's economy is growing, inflation is not a problem.

Stocks rose by more than I percent while the yield on the benchmark 10-year bond fell to 8.35 percent from 8.40 percent. The number of jobless people in Britain dropped by 18,800 last month, to 2,642 million, a 27month low, the government said. On a seasonally adjusted basis, that left unemployment at 9.4

Meanwhile, retail prices rose an annual 26 percent in June, unchanged from the May rate. But annual underlying infla-tion, which strips out the effects of home mortgages and which is the measure most widely followed in financial markets, fell to 2.4 percent from 2.5 percent. This was the lowest level for 25

percent, the same as in May.

years, the Treasury said. Analysts said the fall in underlying inflation would reduce the pressure for a rise in base interest rates, currently 5.25 per-(AP, Reuters)

## Alitalia Reaches a Deal **To Cut Jobs and Costs**

ROME—Alitalia SpA, which has been losing nearly \$1 million a day, negotiated a deal with unions on Wednesday to cut costs and 1,570 jobs.

The agreement, which will need to be ratified by employees of the state-owned arline before the end of July to take effect, came after talks that lasted all night and followed several days of disruption caused by strikes.

The bargain lies at the heart of a three-year plan to save 771 billion lire (\$480 million) in the next three years by making the airline more efficient.

None of the cuts will be mandatory and workers are to be encouraged to leave using incentives such as early retirement packages, some of them government-backed.

The airline had been looking to cut staffing costs by 20 percent over the next three years, implying a loss of 4,000 jobs from its 20,000-member worldorce. Union officials said further losses could not be ruled out.

The cuts are expected to affect ground staff only but cabin staff have accepted a pay freeze until 1996 and agreed to be flexible about the flights they work on.

Alitalia expects a loss this year, but its two senior directors hope the results will be less disastrous than last year. In 1993, Alitalia's net losses rose 20-fold, to 336.9 billion lire, amid a global recession in the airline industry and Italy's worst economic crisis since World War IL

#### Very briefly:

• Israel's Ministry of Industry and Trade is drawing up plans to build two industrial zones in the Gaza Strip.

Owners Abroad Group Pic, a British tour operator, said it had narrowed its half-yearly loss to £29.3 million (\$37.5 million).

· Royal PTT Nederland NV said it would cut its suppliers of

**Investor's Europe** Fracidurt Paris CAC 40 London FTSE 100 Index 230 2400 - --2300 2223 3200 21**00** — 2000 1900 --1890 F' H A 200 F MAMJI Exchange Change Close Close AEX 386.31 383,21 +0.81 Ámsterdam Brussels Stock Index 7,294,41 7,311.06 -0.23 Frankfurt DAX 2,054,00 2,048.05 +0.29 Frankfurt FAZ 782.79 786.84 -0.53 Heisinki HEX 1,758.60 1,739.07 +1.12 London Financial Times 30 2,356.80 2,331.90 +1.07 London. 3.005.20 2.963.90 +1.40 Madrid General Index 303.82 297.46 +2.14 1,109.00 1.095.00 +1.28 CAC 40 1,974,59 1,933.62 +2.12 1,827.31 1,804.44 +1.27 Stock Index 449.06 449.40 -0.08 Zigich SBS -1.13 BB8.10 898.26

telephone exchanges to two from three, dropping Alcatel Alsthom in favor of LM Ericsson AB and AT&T Corp.

The Czech cabinet will delay consideration on the privatization of the petrochemical industry for at least another month.

Russia's program for a second phase of selling state industries drew a no vote in Parliament.

# **EU Urges Stronger Links to Asia**

BRUSSELS - The European Commission called Wednesday for a radical overhaul of economic and political relations with Asia to avoid being sidelined by the fastest-growing economies

in the world. The commission said it was urging businesses and government in the European Union member countries to mobilize their forces to open markets, increase investment opportunities for European companies and involve Asia more closely in international economic institutions.

"If European companies are unable to take a

full share of Asian growth over the next decade, this will affect their profits and competitiveness worldwide," the commission said.

It added that if EU companies failed to take a fair slice of the Asian market, protectionist in-

stincts would grow in Europe.
It said the EU was the second-biggest market for exports from developing Asian countries af-ter the United States, absorbing 128 billion Eu-ropean Currency Units (\$160 billion), or 27 percent of their exports in 1993. Asian imports of EU goods jumped from 15 billion Ecus in 1980 to 93 billion Ecus in 1993, the commission said.

### WATER: French Firm in Inquiry

Continued from Page 9 in his report, stated that compa-

ny executives "were totally aware of the fictitiousness" of the work accorded to Gifco.

Alam Delrieu, spokesman for Générale des Eaux, called the preliminary probe "a tempest in a temport." He said the company's political contributions on Réunion were under the ceilings permitted by law, and that election-control officials had found "absolutely no anomalies." He added that the services obtained from Gifco were "real and justified," though he could not say what they involved.

Rumors have swirled around the company since last March, when an investigating judge an estimated 100,0 from Réunion seized docu-contracts each year.

ments at its Paris headquarters. Further fueling the talk, a crusading former magistrate, Thierry Jean-Pierre, published a pamphlet in May entitled "Black Book of Corruption in France." He alleged widespread malpractice in the illicit funding of electoral campaigns by French companies, focusing media attention on the two big

water utilities. Two weeks ago, Generale's chairman, Guy Dejouany, responded to the criticism by announcing at a shareholders' meeting that the company would set up an ethics commit tee to oversee activities of com-

pany subsidiaties. Générale des Eaux obtains an estimated 100,000 public

### MOORE: What Do CEO's Know?

Continued from Page 9

Though the new show, "TV Nation." is not being presented as conventional journalism, it tries to go beyond mere entertainment. One goal is to make people think about the way American companies operate.

Michael Moore's perspective is decidedly working class, and the man makes no pretense at fairness or balance. Someone like that makes network execu-

tives and lawyers nervous. Which is why Mr. Moore, 40, was taken aback when NBC, a subsidiary of General Electric Co., offered to broadcast seven

episodes of his new show.
"At first I thought one of those earthquakes shook something loose in Burbank," said Mr. Moore, whose first show will be broadcast Tuesday. He was referring to the Los Angeles suburb and broadcasting hub. "I asked them if they had the right Michael Moore. I was afraid they thought I was Roger Moore or Dudley Moore."

An NBC spokesman, Ed Harrison, said the show was a response to criticism that television lacked originality. his dishwashing of Most episodes of "IV Nation" will consist of five short a GE light bulb.

humorous films, often involvon the serious television news ing business or the economy. In one segment, Mr. Moore "fires" his staff and tries to produce his magazines descended from "60

show in Mexico to dramatize the impact of the North American Free Trade Agreement. In another he hires a lobbyist in Washington to promote legislation giving his employees a

50 percent tax cut. The show also visited Avon ladies who ply their trade by canoe along the Amazon River in Brazil. Not quite stated is the opinion that American capitalism pushes its way into remote corners of the world with prod-

nets of questionable necessity. The "CEO Challenge" segment, to be broadcast within a few weeks of the program's first episode, was conceived to show that executives who run the corporations often have little knowledge of their companies' products, operations or custom-

The executives Mr. Moore approached were not always accommodating. Ralph Lauren didn't show up to sew the hem of a shirt. Reuben Mark of Colgate-Palmolive would not roll up his sleeves and demonstrate his dishwashing detergent. Jack Welch was too busy to screw in

# THE MEASURE OF OUR FAITH IN THE NEW SOUTH AFRICA R15 BILLION

### ANGLO AMERICAN CORPORATION

Points from the annual statement by the Chairman, Julian Ogilvie Thompson, on 30 June 1994.

1994, a momentous and rewarding year for all South Africans, has seen the culmination of a process of profound change that we had long advocated. The country has been fortunate in the outstanding statesmanship of President Mandela and Deputy President De Klerk, in the goodwill of all who suffered under apartheid and in the manifest desire for peace and reconciliation that President Mandela bas made a central tenet of bis administration. Now all components of the new South Africa must rise to the tremendous challenges that lie ahead. As a member of the business community I am acutely aware of the part we have to play. The mining finance house continues to demonstrate its vigour and adaptability, barnessing under one roof the range of administrative, financial and technical skills and capital-raising capacity required for the major projects necessary to South Africa's development.

Our faith in the future of South Africa is signalled by the current R15 billion investment programme of the Group and its associates. The major projects - almost entirely export-driven each exceed R1 billion: the Namakwa minerals beneficiation project; the Moah extension to the Vaal Reefs gold mine and the new No 4 Shaft at Freddie's gold mine; the Columbus joint venture. which will make South Africa a leader in world markets for stainless steel; and our investment in the Del Monte Royal Group, which draws substantially on South African products for the international branded foods business.

South Africa's re-acceptance into the world community has opened up new horizons for the Group, enabling us to expand into areas previously closed to us. In West Africa we are a partner in the development of a most promising gold deposit in Mali and are conducting exploration in neighbouring states, in Central and East Africa, and in Madagascar. In Zambia we have proposed, contingent on a feasibility study, a joint venture with ZCCM to develop the Konkola deep copper orebody. We are taking an interest in industrial ventures in the Far East and undertaking joint exploration in Vietnam and other countries in the region. We retain our close financial and technical involvement in Minorco's six exciting new mining ventures in South America, which could double the size of Amsa and re-establish the wider group as a major world copper producer.

The ability to operate internationally as a developer of major projects with or without overseas partners, is a function of size. Our Zehra bigh-energy battery project could not have been undertaken without substantial research and development expenditure, spread over many years, and the support and participation of overseas partners - in this case Daimler Benz/AEG. Our extensive resource base was a factor in bringing Daewoo of South Korea, onc of the leading industrial groups in Asia, into partnership with us to seek new development opportunities in South Africa.

The Corporation's excellent results testify to our financial strength and the benefits of planned geographic and product diversity. Net earnings increased by 23 per cent to R2,984 million and attributable earnings by 20 per cent to R1,681 million, with the total dividend increasing by 14 per cent to R3.95 per share.

As our central business purpose is wealth creation - not only for shareholders - the Corporation is investing in significant programmes in the fields of small business promotion, economic empowerment, share ownership, employment equity and education. In the words of our founder, Sir Ernest Oppenheimer, 40 years ago: "Our aims bave been, and they still remain, to earn profits, but to earn them in such a way as to make a real and permanent contribution to the well being of the people and the development of Southern Africa".

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VISION BEYOND BORDERS

#### TOBIAS: A 'Fun Guy' at Eli Lilly

Continued from Page 9

of the telephone company, Mr. Tobias led a drive for overseas sales. It was crowned last year when he negotiated a memorandum of understanding with China on sales of equipment and joint ventures in research and operations.

He is also credited with turning around AT&T's long-distance revenue after the 1984 breakup of the giant. "He is accustomed to taking a fourengine bomber through the flak," Mr. Love said. "I think Randy came at the right time for this company."

According to some analysts, the \$4 billion price Lilly is paying for PCS is much too high, and it is far from certain how rapidly the new owners can per-suade tens of millions of PCS ulcers and genetically engineered insulin for diabetes.

Other critics say that Lilly's plan to offset \$1 billion of the cost by spinning off Lilly's medical device and diagnostics lines will inevitably subtract income from what had been the company's fastest growing unit.

But Mr. Tobias said that after studying Lilly's strengths and possibilities, he decided that the company would be more successful if it pulled back to its core pharmaceutical busi-

Lilly is likely to cash out its. Remington, near Lafayette.

40 percent stake in Dow-Elanco, a joint venture in pesticides with Dow Chemical Co., for about \$500 million after tax-

Some analysts praised the new approach. "The old Lilly operated in a vacuum," said Hemant K. Shah, an independent drug analyst in Warren, New Jersey. "It was not willing to accept that the world outside Indianapolis has changed."

But others are skeptical. Ronald Nordmann, a healthcare analyst at PaineWebber Inc., noted that Lilly "was late in entering international mar-kets and late in the managed care arena."

Mr. Nordmann said Lilly was slow to sell its banner drugs at discounts to maintain sales volnme in the rapidly changing drug card holders to switch to marketplace, where intermedi-Lilly's biggest products, like aries for employer health plans and medical networks offer millions of potential customers in exchange for price breaks.

But under Mr. Tobias, Lilly had already bargained to place its products on the list of preferred drugs for customers of Merck & Co.'s recently acquired Medeo managed care unit, a model for the Lilly-PCS

And he is cutting costs by reducing Lilly's worldwide payroll by 3,600 employees.

The post at Lilly took Mr. Tobias back to his native state of Indiana. He was born in

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Very briefly:

Kong) Ltd.

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Shanghai Aviation Industrial Group and McDonnell Douglas Corp. will jointly produce 20 advanced MD-90-30 planes.

Shanghai Erfangji Co. is planning an employee ownership pro-

gram that will take many of its class A shares for domestic investors

• Hong Kong-listed class H shares of Chinese companies are likely

to remain weak due to oversupply, said William Ebsworth, chief investment officer at Fidelity Investments Management (Hong

China Steel Corp. will offer 198 million shares, or 2.75 percent of

its equity, by the end of this month. In March, China Steel offered

72 million shares for private placement and 288 million to the

public. The public offer was a flop with only 5.7 percent of the

Chinese investment in fixed assets this year must not exceed 1.3

trillion yuan and loans to this sector must not exceed 190.8 billion

to take a government test to certify weather forecasters. AP, Remers

BANGKOK — A consortium led by Siemens AG of Germany and Italian Thai Development PLC of Thailand has been awarded

a project worth 28 billion baht (\$1 billion) to build a mass transit

system here, Bangkok Transit System Corp. said Wednesday.
The transit system, an arm of the developer Tanayong PLC,

received approval from Thailand's cabinet on Tuesday to start

construction on the 14.4-mile (23-kilometer) light-railway system,

Edward Chow, Bangkok Transit System's chief financial offi-

cer, said the project, to cost 35 billion to 37 billion baht, would be

financed by a combination of debt and equity, of which 25 billion

Bangkok Transit S plans to sign the contract with the Siemen-

Siemens Wins Thai Work

yuan (\$22.1 billion), the State Council said.

out of circulation, the China Securities newspaper reported.

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# Asian Surpluses Imperil Trade, World Bank Says

Compiled by Our Staff From Dispatches WASHINGTON - The World Bank Tuesday urged U.S. Official Sees East Asian nations with booming economies to tear down protectionist walls, calling their lopsided trade surpluses an unsustainable drag on the world's trading system

In a detailed report on trade and investment patterns in the Pacific region, the bank said: "The potential for trade tensions and protectionism remains serious. Trade wars can do enormous damage. The report proposes that

 Reduce tariffs and other restrictions by 50 percent, beyond agreements under the Uruguay Round of the General Agree-

ment on Tariffs and Trade. • Provide funding and cooperate in environmental protection so that countries that do not protect their environments do not gain advantages.

•Turn away from regionalism and instead commit to nondiscriminatory treatment for trade and investment.

The region's huge trade sur-pluses were called a political and economic risk, whereas liberalization could be a catalyst for world growth.

"At the beginning of 1994, there were signs of political and trade conflicts between the United States on the one hand and Japan and China on the other," said the bank.

It said the industrial world should encourage economic reform rather than resort to threats of inward-looking regionalism, aggressive trade retaliation and indirect protec-

Such warnings aside, the bank commended the region, which houses the world's fastest growing economies, for efforts already under way to open its markets to outsiders, but added that many countries in East Asia

have high levels of protection. Some Asian countries, it said, maintain barriers in the manufacturing sector that are 40 percent higher than the protections 33 percent by the turn of the erected by industrial nations.

TOKYO - A U. S. trade official on Wednesday cast doubt on the outlook for trade talks between the United States and Japan and warned of a political crisis unless progress was made. "I hope we can narrow the

Trade Deadlock

differences in the next couple of weeks, but at this stage it is really an open question whether we will reach agreements," Jeffrey E. Garten, the U.S. undersecretary of commerce for international trade, told a

symposium on U.S-Japan ties. Mr. Garten said the mood had improved and differences narrowed since the two sides resumed economic framework talks in June after a threemonth deadlock. But he said significant obstacles remained to agreements in the three priority sectors of insurance, automobiles and autoparts, and

government procurement.

"Industrial countries are reluctant to offer continued access to their own markets, where East Asian imports have recently grown 15 to 20 percent a year, without gaining better access to developing country markets," it said.

The Bank said that now would be the time to build on gains already made by the recently completed Uruguay Round.

Gautam Kaji, the Bank's regional vice president for East Asia and the Pacific, said the increased flow of foreign direct investment would more than offset any loss of income from cutting tariffs. Moreover, he said, the region is too important to remain on the sidelines while major initiatives are decided by industrialized countries.

In the past 25 years, East Asia's share of world exports rose from 7 percent to 21 percent and are expected to reach

# Going Nowhere, Slowly Wu's China Highway Is Still Stalled

HONG KONG - Gordon Wu's superhighway in southern China is essentially fin-ished, but the project is still stalled in the slow

Mr. Wu, who had once forecast that the road from Guangzhou to the Hong Kong border would be open in the middle of last year, now concedes that the highway will not be fully

operational until at least Monday. The 58-year-old Princeton University gradnate and managing director of Hopewell Holdings Ltd., already is obliged to jump into Hong Kong's filthy harbor as his self-chosen penance for missing one of the many lapsed deadlines, June 30 this year.

The latest delay, Mr. Wu said, is the fault of the Chinese People's Liberation Army. It will not be able to provide sufficient guards from among its 3 million soldiers for the border between the Shenzhen economic zone and the

rest of China until at least Monday, he said. Things are not as easy as they used to be," Mr. Wu complained. Doing business in China was fraught with "more and more agencies."
The \$1.5 billion, six-lane road, which Hopewell is to transfer to provincial control

after 30 years, will cut travel time from Hong Kong to Guangzhou to about two-and-a-half hours from the current seven. Despite the delayed opening, Mr. Wu decided to go ahead with a private tour of the road this week for several busloads of finan-

cial backers, analysts and journalists. The 122-kilometer (76-mile) road, took under 90 minutes to travel on Tuesday, although only a portion of it was open to general traffic. There was little traffic on one section, but the part near to Guangzhou had a steady stream of cars and trucks.

The commercial potential for the road was visible to the west and below. Sailing along the highway, drivers can look over at China's National Route 107, the old road whose two lanes are jammed with cars and trucks as they crawl through one small town after another. About 40 kilometers of the route is on viaducts through a region crisscrossed by trib-utaries of the Pearl River. But Mr. Wu admitted that only two or three of the 15 interchanges were ready and the rest would not open until later this year.

With economic growth running at over 20 percent for a decade, the Pearl River Delta is not a pretty place. Shabby factories making toys, electronics products and sports shoes with cheap labor have sprung up in an area that was dotted by duck ponds and paddy fields a few years ago.

Mr. Wu said the road could have opened nine months earlier but for delays caused by the Chinese side, and he is renegotiating a contract under which Hopewell would have kept for itself all tolls paid before June 30 this year if the road had been open.

After the June 30 cutoff, Hopewell is to get only 40 percent of the tolls and 40 percent to 80 percent of profits from real estate development along the route.

Hopewell hopes to take in 2 billion Hong Kong dollars (\$258.9 million) in tolls in the first year, based on a projected 11,000 to 20,000 vehicles a day.

Toll rates for the highway still have to be approved by the Guangdong government, but iey are likely to run in the area of 80 Hong Kong cents a kilometer for cars. Chinese nationals will pay in China's yuan currency,

and their rate works out to slightly less. The real money comes from trucking. From the look of traffic on Route 107, at least half the traffic on the highway will be commercial trucks, whose tolls will run to up to six times the private car rate.

In the end, it may not even be the highway that enlarges Mr. Wu's fortune. He also gets 40 percent to 80 percent of the revenue from gas stations, office space, and the rest of the 40 million square feet (3.6 million square meters) of commercial space around 10 of the highway's 15 interchanges, only a few of which will be finished in time for the full public opening. (Bloomberg, Reuters)

## SATELLITE: A Shake-Up in Crowded Asian Skies

tion of the market for satellite space over Asia — a scarcity of available capacity will soon give way to a glut because of a host of new satellites and technologies on the horizon - Apstar I's owners are bending rules that ultimately cannot be en-

APT Satellite Co. of Hong Kong, a seven-member consortium that features three Chinese government bodies, Singapore Telecom, and companies (Reuters, AFP) backed by Thai, Macao and

Taiwan groups, has made initial approaches to the International others already orbiting over Telecommunication Union, a body affiliated with the United international telecommunications traffic and other services of Nations that supervises the as-

or slots, and radio frequencies However, rather than wait for a ruling that is expected in No-vember or December, a process that includes consultation with

signment of satellite positions,

countries whose own satellites could be affected by the newcomer, Apstar 1 later this month is to be positioned close to two

the Chinese satellite could provide the solution," said a Nippon Telegraph spokesman who confirmed that officials from Japan's Ministry of Posts and Telecommunications were raising their concerns with Chinese

Since one carries much of the

Nippon Telegraph & Telephone Corp., the Apstar 1 launch plan

has prompted a round of negoti-

ations in Beijing.
"A little move in position in

counterparts in Beijing this the July 20 launch was going

"As far as I can tell, there is no plan for delay," said K.Y. Cheung a vice president at APT Satellite Co. in Hong Kong. "There is no basis for concern. We are produced to the Jakarta of the Jakarta." We are working out a technical solution to minimize the effect if interference should occur."

International Telecommuni-

cation Union officials, who have few powers to enforce their regulations, privately said they believed a compromise would be reached and that the threat that China might one day have one of its own claims superseded by someone else should bring it into conformity.

However, despite confidence that Apstar I will deliver greater access to Asian markets as promised, a consortium of U.S. and Asian broadcasters who have teamed up to tackle STAR TV have made back-up plans.

Other broadcasters slated for Apstar 1 include Capital Cities/ABC Inc.'s ESPN sports channel, Discovery Communications, Home Box Office Asia and Hong Kong's Television Broadcasts Ltd.

"A lot of people have turned to us," said Andrew Jordan, a Sydney-based executive with Apstar I rival PanAmSat LP, a company controlled by Grupo Televiso SA of Mexico.

#### donesia's oldest magazine, Tempo, banned with two others last month for its political coverage, are being pressured to sell the publication to a business executive with government

Wednesday. The move follows weeks of

sensitive political issues. Media sources said behindthe-scenes jockeying to reopen Tempo under ownership and editorial management more amenable to the government started within days of the ban.

The Tempo group, known as PT Grafiti Pers, is 60 percent owned by its workers and 40 percent owned by the Yayasan Jayaraya foundation.

days later for unknown reasons.

and editorial control.

said they would demand edito-

tion and political maneuvering.

# An APT Satellite Co. executive based in Hong Kong said Indofood Sale ahead as planned while negotiations to find a compromise con-

JAKARTA — The sagging fortunes of the Jakarta stock market, which hit a low for the year this week, are unlikely to be revived by the float of PT Indofood, the world's largest maker of instant noodles, bro-

kers said Wednesday. "Indofood will give people something to focus on and spark the idea that the market is not completely dead," said Richard Fischer at PT Barings Securities Indonesia. "But I do not think it will be enough to help turn around the market at this point."

The index ended 0.73 points lower on Tuesday, at 449.72, its lowest level this year. The market, one of the world's bestperforming in 1993, has been under persistent selling pres-

sure since the start of the year PT Indofood Sukses Makmur, which is to list on Thursday, has been actively traded in the gray market well above its initial public offering price of

6,200 rupiah (\$2.86). The company, owned by Indonesia's largest conglomerate, the Salim group, is offering 21 million shares, or 2.75 percent, of Indofood's equity.

## Pressure Seen on Indonesian **Publication**

JAKARTA — Owners of Inconnections, media sources said

sporadic but sometimes violent protests against a government decision to close Tempo, Detik and Editor, which are considered among the vanguard of a revitalized media focusing on

The weekly was first approached by Hashim Djojohadikusumo, a business executive, who offered to republish Tempo under a new license and editorial

control, media sources said. Mr. Hashim is related by marriage to President Suharto. The move was dropped a few

Tempo was then approached by Bob Hasan, a timber investorand friend of Mr. Suharto, who sought majority ownership

Media sources said moves to place Mr. Hasan in control of yuan (\$22.1 billion), the State Council said.

Tempo appeared to have the Japan's job market so tight that more than 2,800 people applied government's blessing. A spokeswoman for Mr. Hasan confirmed he had opened talks but said negotiations were at an

early stage.
Journalists from Tempo on Friday agreed to appoint five representatives to seek ways to reopen the magazine or examine alternatives. One employee

rial independence. The magazine closures reversed a yearlong period of unprecedented openness in the country's media, during which journalists had focused on sensitive issues involving corrup-

which is targeted for completion in 1997.

baht would be provided by the contractors.

s/Italian That Development consorti

tikavanij, the company's chairman, said.

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By The Chase Manhattan Bank, N.A. London, Agent Bank

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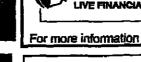
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# **SPORTS**

# McGriff Homers in 9th, Alou Doubles in 10th and NL Defeats AL, 8-7

By Murray Chass PITTSBURGH - The in-

stant Fred McGriff's fly ball sailed over the fence in leftcenter field, the American League should have known that its longest winning streak in All-Star Game history was in serious jeopardy.

The pinch-hitter's two-run home run off Lee Smith only tice the score, at 7-7, but at the least it would send the game into extra innings, where the National League has never lost.

Sure enough, that territory remained the sole possession of the Nationals on Tuesday night because Tony Gwynn's single and a double by Moises Alou in the 10th gave them an 8-7 vic-tory, the league's ninth in nine extra-inning All-Star Games.

The last game the Mational League won, in 1987, in fact, went 13 innings, and the American League had won all six

games since.
"We've been talking about it
all day, Ozzie and I," an ecstatic Gwynn said, referring to another veteran, Ozzie Smith. "We're about the only ones who reamber when we were win-

Another Smith, Lee, was the pitcher who threw the pitch that McGriff hit for the game-tying home run. The pitching Smith was the winning pitcher for the National League in that 1987 All-Star Game. He wasn't the losing pitcher in this game; Jason Bere of the Chicago White Sox was. But it was McGriff's shot that made the National

League victory possible. McGriff said that when he

**NATIONAL 8, AMERICAN 7** 



Fred McGriff homered to tie to score in the ninth. . .

The Atlanta first baseman. named the game's most valuable player, fouled up the saw Gwynn slide across the Americans' plan to win the game, 7-5, on a three-run rally their second string generated in the seventh inning against John

Pittsburgh, did not give up. When Marquis Grissom of Montreal, whose sixth-inning, bases-empty home run had put the National League ahead, 5-4, led off the ninth with a walk, the fans cheered. When Craig Biggio of Houston forced Grissom at second, they groaned, but they cheered when Biggio beat the throw to first.

"The big play in the ninth was Biggio beating out that double-play ball," McGriff said. "If he doesn't, I don't get a chance to hit a two-run home

two more runs.

But the Three Rivers Stadi-

McGriff, whose 23 home runs have put him in position to hit 30 or more for the seventh successive season, almost didn't get into the game.

I was waiting for a spot said Jim Fregosi, the Philadelphia manager. "I only had a couple of left-handers. We were out of things to do."

"I was over there sweating." McGriff said. "We're losing. He has to save me just in case. I said it's getting late; it's the ninth inning now. Something's got to happen."

Fregosi sent McGriff to bat for Randy Myers. Smith got the count to a ball and two strikes before McGriff connected.

"It was a fastball away," the was thinking, let it go, be aggressive, take your whacks. If for a 4-1 lead. Now he led off Thursday and play the Mar- rapped a single to center field.

Jackson, and Kenny Lofton of more inning before he could next batter, and he drove a and I saw the umpire call him ted only 235 and driven in no Cleveland grounded a single think of the resumption of the pitch from Bere to the wall in safe," Alou said, "Wow!" The runs in nine previous All-Star



and Tony Gwynn beat the throw home in the 10th as Jim Leyland, coaching at third, provided a little famey footwork.

watched Gwynn and Alou do their part in the 10th.

Gwynn, playing the entire game after substituting in cen-ter field for Lenny Dykstra, who had undergone an appenleft-handed slugger said. "He dectomy, had doubled home blew the second pitch by me. I two runs in the third inning and you don't get him, get ready for the 10th against Bere, and he

Alou, who had replaced Bar-Having insured at least one ry Bonds in the ninth, was the

land, the Pirates' manager serv- smiled broadly. ing as the third-base coach.

waved him home.
Albert Belle of Cleveland rewheeled and fired home to Rodrignez, but Gwynn's slide got Fregosi used the entire game. his foot to the plate just ahead "I'm tired, but I probably his foot to the plate just ahead of the catcher's tag.

around the bases, and Jim Ley- in two All-Star games, Moises cause i, i was able to contrib-

"It was great to see Alou get. in the game," Fregosi said. "I'm very dear friends with his fatrieved the ball in left-center ther, and my son played with and threw to Cal Ripken Jr. of him in the minors. It was a great Baltimore, the shortstop and rething for him to get the hit. I'm lay man, in short left. Ripken glad I got a chance to use him." Gwynn was the only player

won't be able to sleep tonight," "When he got to home plate said the veteran, who had bat-

regular season, McGriff left-center. Gwynn raced son of Felipe Alou, who played games. "I'll sleep tomorrow beate, and 2, the National League

bung in there The National League, interestingly, bit the only two home runs in the game. The more potent American League hitters

hit none. "Considering they have Griffey and Thomas with 30 some ber at the All-Star break," McGraff said, "we can hold our ্যান, We don't have to take a

# There's Now a Very Good Chance Maris's Record Will Fall

By Thomas Boswell

Hudek of Houston and Danny

Scott Cooper of Boston dou-

bled home the tying run against

Jackson of Philadelphia.

Wushington Post Service PITTSBURGH — Ken Griffey Jr., Frank Thomas and Matt Williams got the best imaginable news this week, It's likely that major league baseball's regular season — and their chances to break Roger Maris's record of 61

home runs - will be saved. At their union meeting, the players showed an increased inclination to announce a Sept. 30 strike date, rather than the Aug. 16 date previ-

ously preferred. Players assume a Vantage strike probably can't be prevented Point

themselves and a public-relations gesture of good will toward fans, the players now seem inclined to salvage the regular season. If labor most nobody doubts t Armageddon is coming anyway, why not play reachable this season. until the last paycheck and incentive clause has been earned? Besides, maybe somebody will hit

62 home runs. Why ruin that too? Maris. For weeks we've heard, "They'll never get the chance." Now you hear, "Yes, they can."

This all-star week has enhanced the already Monday's home run hitting contest, both, er, hitters suspect it is, which boosts their launched balls of more than 510 feet. In the All-

Star game itself, Griffey doubled off the left field. wall in the first inning; Thomas followed with an RBI single to center. In the fifth, Griffey singled home a run; Thomas singled on the next pitch and eventually scored. Combined, they went 4-

for-5, plus a walk. The Colorado Rockies' manager, Don Baylor, stood by the batting cage before the game and listed the records, once assumed unassailable, that he'd seen broken during his time: Babe Ruth's 714 homers, Ty Cobb's 4,191 hits, Walter Johnson's career strikeouts - which Nolan

Ryan surpassed by thousands. strike probably can't be prevented and the postseason is likely a lost cause. So, as a financial gift to is the only one that won't be broken.

Everybody has his favorite candidate. But al-

"Oh, yes, somebody can definitely break it," said Mike Mussina, the pitcher for the Baltimore Orioles. "I think Frank (Thomas) has the best In the wake of these labor developments, the chance because he doesn't swing at bad pitches All-Stars here have changed their tune about and get himself out or put himself into slumps. whether Griffey. Thomas or Williams can pass Also, the (new) parks are smaller and balls are

flying out everywhere. Hitting is contagious.
"Of course, there's also the hush-hush 'J'
word," he said. That, of course, would be the enormous reputations of Griffey and Thomas. In word "juiced." Whether the ball actually is liveli-

just beginning," said the San Francisco Giants' strike zone for anybody or anything, manager, Dusty Baker, "We're getting those 95 "If Frank Thomas hits 370 with 150 RBI and degree days when the ball flies out ... The 50 homers, then give him him due, those are Lou pitchers are at that 150- to 200-inning dead-arm. Gehrig numbers. If he does it three or four more snapping. Kids get brought up from the minors. Jackson.

The bullpens are worn out . . . Fair or not, few outside San Francisco think Williams can stay in the race. Of course, the public's choice for 61 in '61 was Mickey Mantle.

This week has been cruel to the third baseman. He skipped the homer contest, went 0-for-3 with He skipped the homer contest, went 0-for-3 with "I was a little too scenag." backson said after two strikeouts in the game and made a wild hombing one over the wall for the fans in his oldthrow on a simple force play that led to two runs. timers game uniform. "The pressure got to me."

The debate here has centered primarily around were ankle-high and above his shoulders. But such raw instinctual barrages also get him out of sync, and he's slump prone.

distances. But he may take too many walks and eight single. ...

"Don't forget, the home run time of the year is such a perfectioned he has never expanded his

period when the curves start rolling instead of times, then he is as good as Cehrig," said Reggie

Ah, yes, Reggie, the resident expert here on The Chase, Where Griffey, Volliams and Thomstood, too. He was for Aherd Of The Page with 37 homers of the All-Stor break in 1969.

Jackson prefers Griffey's chances for 62 bethe camps of Thomas and Griffey. Griffey has a cause "Griffey's the most somally adjusted." model uppercut left-handed home run swing. At impact, he looks much like a bigger Maris. When the modern celebrity magistroot, Conffey does

he's hot, he can do impossible things to unhitta-ble balls. He's homered this year on pitches that — be's 24. "They're already getting a taste of the pressure," said Jackson. Griffey had five hits in one game against the Yankees last week and they

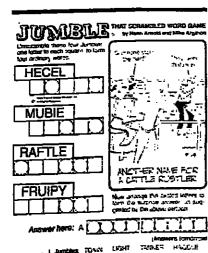
The right-handed Thomas is a pure, all-fields asked him why be didn't bit a home run. All line-drive hitter who happens to weigh 259 they'll hear is, 'You have a had a home run in pounds. As a result, his line drives go enormous eight days. That's 36 at-bas, 14 ground outs.

hit too many balls through walls to reach 62. It's not supposed to be vasy. But at least homers. And when he talks, Thomas sounds like there's now hope that funior. The Big Hurt and man who thinks about the Triple Crown more than home run records. Like Ted Williams, he is their best shot.

AND WE SHENE THE WE

#### **DENNIS THE MENACE**





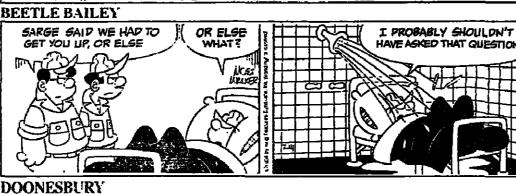
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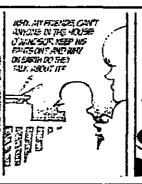




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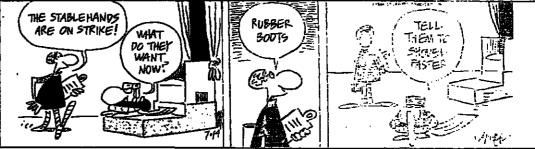




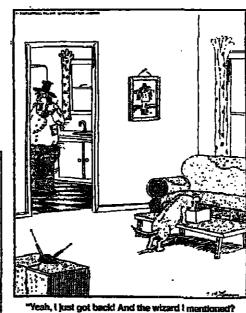
#### **CALVIN AND HOBBES**



### WIZARD of ID

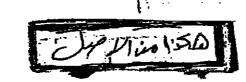


THE FAR SIDE



He gave me a new brain! ... It's on the coffee





# **SPORTS**

# Indurain 'Loses,' and Nearly Doubles Lead

By Samuel Abt

otional Herald Tribune LOURDES HAUTACAM, France — Halfway up the first big climb in the Tour de France. Miguel Indurain looked back once over his left shoulder and then once over his right. When he saw that his major rival. Tony Rominger, had been left behind Wednesday, Indurain knew just what he had to do: Attack.

Twenty minutes later, the Spaniard rode out of a thick screen of log and cold mist and crossed the finish line after another terrible show of force. For the second time this week, following his victory in the individual time trial on Monday, he had humbled this bicycle race.

Indurain badly wanted to win this 11th stage, the first of two in the Pyrenees, but did

He was left two seconds behind in the final few hundred meters by Luc Leblanc, a Frenchman, and had to settle

Cahors to Lourdes Hautacam, a mountaintop ski resort.

He did, however, succeed in nearly doubling his lead, to a huge 4 minutes, 47 seconds, over Rominger in second place. Armand De Las Cuevas, a Frenchman with Castorama, is

third, 5:36 behind; Piotr Ugrumov, a Lithuanian with Gewiss, is fourth, 8:32 behind, and Leblanc, who rides for Festina, is fifth, 8:35 behind. Although the finish in Paris is still 11 days away and many big mountains remain, there cannot

be a rider left who believes that, barring accident or sickness, Indurain can be denied his fourth consecutive victory in the Tour. Leblanc was timed in 6 hours, 58 minutes, 4 seconds, a fast pace of 37.8 kilometers an hour (23.5 mph) considering the length of the stage and the steepness of the climb, which

the standard scale of one, hardest, to four, easiest.

was rated beyond category on

kilometer (164-mile) stage from weather but the riders had a or Thursday, the race's single comfortable day in the 70s un- day off in three weeks of comder overcast and sometimes petition. drizzly skies.

> Following the second-placed Indurain was Marco Pantani, an Italian with Carrera, 18 seconds behind the winner. Richard Virenque, a Frenchman with Festina, was fourth, 56 seconds behind, and De Las Cuevas was fifth, 58 seconds be-

> Among the day's more noteworthy casualties were Chris Boardman, the Englishman who rides for Gan and who wore the yellow jersey after he won the prologue, and Claudio Chiappucci, another Italian with Carrera, who had set his heart on winning here. The exhausted Boardman had to quit his first Tour de France and the sick Chiappucci finished 168th, nearly 24 minutes behind.

Now in 135th place overall, Chiappucci, who has completed the Tour in as high as second and third place in the last four

riders who started the 263.5- have been lower in hotter years, will get a chance to recov-

On Friday, the battle will be renewed with a long stage over four major climbs in the Pyreclimbs well and always races strongly over them.

The Spaniard, who rides for day 2:28 up over Rominger, who rides for Mapei-Clas and finished second last year. The Swiss labored on the second half of the 13.6-kilometer climb and wisely decided to mount at his own pace rather than blow up while trying to chase the back of the man wearing the yellow jersey with No. 1 pinned

Grimacing with his effort although he rarely rose from his saddle as the others did, Indurain attacked on grades that ranged up to 10 percent and averaged just under 8 percent. Once he jumped, the nearly dozen riders around him began

Pantani had the lead at that point after he and the other leaders overhauled a five-man breakaway that romped through a good part of the stage before the climb. With three kilometers left and a thick bank nees. Indurain knows those of fog over the road, Leblanc and Indurain were the Italian's two closest pursuers.

As they caught him, one on the Banesto team, started the either side, Leblanc bolted away. The Spaniard fought back, regained his lost 200 meters and then tried to get away

A rider who has often allowed an opponent to win a stage while he himself widened his overall lead, Indurain this time went for the victory. His focus said so, his determination said so, his speed said so.

Leblanc said no. Each time Indurain passed him, the Frenchman drew even. On the last curve before the straightaway to the line, he whipped ahead into the concealing fog and was gone. In-

durain had run out of space.



Luc Lebianc emerged from the fog first, which was Miguel Indurain's only disappointment

# Ailsa Craig Ready For Golf's Finest

By Leonard Shapiro

Washington Post Service
TURNBERRY, Scotland — It sits out there in the distance, are possible day-to-day on the off the Firth of Clyde coast, this tempestuous Scottish coast, and massive Ailsa Craig, "thou crag-gy ocean pyramid" as a sonnet by John Keats once described the forboding hunk of granite. It rises out of the sea and is

home to 20,000 gannets, huge birds with the look of a seagull on steroids and a piercing screech they say can be heard all the way to Northern Ireland. on the other side of the water. It is one of countless spectac-

ular sights and stirring sounds Turnberry such a splendid ven-ue for the 123d British Open that gets underway Thursday morning. As they say in these pretty parts, "If you can see Ailsa Craig, it is about to rain. If you can't, it is raining."

As stunning a view as the rock provides on a clear day, most of the 156 players in the best field in golf would probably prefer not to see Ailsa Craig in all its glory this week. They'd like it better silhouetted in the mist with a fresh breeze not

quite blowing up a storm. "I'd like to see it blow, I'd love to see it howl," said Phil Mickelson, the 24-year-old American who's long-hitting game with a sweet touch around the greens seems ideally suited for Turnberry. "To me, that's what the British Open represents. If it really blows, it definitely limits the number of peo-

rie with a shot to win." On Wednesday, the sun was skining, the water was dead

SIDELINES

led to the assault.

For the Record

rain Thursday and wind kicking up by the weekend. But the locals will tell you any conditions weather forecasts are mostly

If it does stay like this for the championship over the rain-softened 6,957-yard, par 70 course, everyone predicts the sort of lights-out scoring more suitable for a Quad Cities than a British Open. And what a shame that would be, almost all the players are saying, even as bushels of birdies are being duly recorded on their cards in the warm-up rounds.

Jack Nicklaus and Tom Watson played as partners Wednesday in the final practice round against Nick Price and Greg Norman, the defending champion, and had a best ball of 10under 60, both shooting rounds Watson said were in the "mid-60s." They won all the bets, and afterward, Price said he'd never seen Watson, a five-time British Open champion, putt so well.

"I was making everything." Watson agreed, saying he'd got-ten "a little tip" from Lee Trevino last week playing in Ire-land. He wouldn't say exactly what Trevino told him but adthought about winning this tournament

"The golf course is playing relatively easy," Watson said. "With the conditions the way they were today, you'll see a lot of low scores. I'd like to see firmer conditions. That's what a links course is. But Mother Naca'm and the wind was merely a ture dictates how you play. In whisper. The forecast called for '36 here, it was wet and it was



Tom Watson offered a comment on Jack Nicklaus's physique during the last practice round

blowing like crazy. Boy it was a

Said Nicklaus, "If the British mitted, "I can't say I haven't Open was played inland and not on this kind of course, I don't think people would come over here. Harder and faster. that's what makes it fun to play

One day in 1973, during the John Player Classic, the wind blew so hard - 120 miles an hour at its worst - that every tent on the grounds was pulled out at the stakes. In the first round of the '86 Open, 45-milean-hour gales struck and 40 players failed to break 80, with a stroke average of 78.9 for the field. The rough was brutal and the landing areas so narrow Gillooly Given 2-Year Prison Term only 10 players managed to hit the fairway off the ninth tee at PORTLAND, Oregon (AP) - Despite the prosecutor's recom-Ailsa's signature lighthouse hole that day. Nicklaus asked, mendation for a more lenient penalty. Tonya Harding's exhusband, Jeff Gillooly, was sentenced Wednesday to two years in

What fairway?"
Norman needed 74 blows that afternoon and said "some of the players are being humili-ated. It was the kind of day when you walk off with a headache from concentration and fighting the wind."

The next day, he shot 63, a record-tying round with eight birdies, an eagle and three bogies, including one at the 434yard last hole when he threeputted from 28 feet. At the time. Watson described it as the greatest round ever played in a tournament I was a com-

Norman went on to win his 8-iron and somehow got the first major championship, nine ball on the putting surface, 30 years after Watson had played four magnificent rounds himself birdie putt was dead in the hole. to beat Nicklaus by a stroke at But Watson quickly walked up the first British Open ever to his ball and made the putt for played on the Ailsa course, in 65 and the second of his five 77. Some say that 106th Open British Open titles. Their closmay have been the best of all

For the first three days, Nicklans and Watson had identical scores of 68, 70, and 65 as the distanced themselves from the field. The two best players in the world were paired in the final 36 holes in virtual match play competition. At one point in the last round, Watson, then 27, turned to Nicklaus, 37, and said, "This is what it's all about, isn't it

Then, at the 498-yard 17th, a relatively easy par-5, Watson hit a 3-iron second shot to within 10 feet for a possible eagle. Nicklaus came up short of the green, chipped to four feet and missed the birdie putt. Watson had a tap-in birdie and, for the first time all week, the lead.

At the 18th, Watson's 1-iron was straight and true, safe in the middle of the fairway. Nicklaus reached for his driver, and pushed his ball far to the right, in deep grass a few inches from a gorse bush. Watson came over to have a look at Nicklaus's dilemma. then walked back to his own ball and hit a 7-iron to two feet. Still, Nicklaus was not done.

feet from the flag. Of course, his est pursuer was that year's U.S. Open champion, Hubert Green, If shots behind the winner.

"I won the Open," Green said that day. "Those two were playing some other game."

Who's game can prevail here this week will be determined in large part by the wind and ather. Norman, as usual, is the betting favorite, with all the usual big names — Watson, Price, Nick Faldo, Bernhard Langer, José Maria Olazábal and Tom Kite -- considered the major contenders.

Ernie Els, the 24-year-old U.S. Open champion from South Africa, also could be a factor, even if he did miss the cut at the Scottish Open last week. He's had sixth- and fifthplace finishes the last two years and is trying to become the first player since Watson in '82 to win the U.S. Open and British Open in the same year.

"Other guys have won two majors in a year," he said, "so why not me? That would be quite something."

In the shadow of Ailsa Craig, He hit down on the ball with an it almost always is.

# Negotiating Is the Answer, **Judge Tells NBA and Players**

By Richard Justice Vashington Post Service

judge asked to rule on the National Basketball Association's labor dispute ended an often combative day-long hearing by warning players and owners that they had better settle their differences by negotiating with one another.

"This whole thing should have been decided in collective bargaining," Kevin Duffy, a U.S. district court judge, said

Duffy extended a temporary league from negotiating any contracts and said he was prepared to settle the matter himself after hearing testimony from Comissioner David Stern, three players - Danny Manning, Dominique Wilkins and Buck Williams — and others.

He gave both sides until noon Wednesday to submit final written arguments, but he did not indicate when he might have a decision, which will probably be appealed by one side or the other.

"It's in his hands," said Charles Grantham, executive director of the NBA Players Association. "The idea was that we wanted to make our case in court. That's been done."

Stem reiterated his desire to solve the dispute through col-lective bargain and said he remained ready to meet with the players' association. "It's a labor issue," he said.

"We don't think it's an antitrust

A settlement seems unlikely because three previous negoti ating sessions produced nothing resembling progress.

The players want to abolish the draft, salary cap, revenue sharing and other staples of the most recent collective bargaining agreement, while the league wants to keep essentially the same agreement in place, claiming it was largely responsible for an explosive growth in pop-

ularity and revenue. When Duffy first considered the restraining order last week, he gave the two sides until Tuesday to work out an agree-ment. If they couldn't reach a deal, he said he'd hold a oneday trial and come up with something both sides might be unhappy with."

The day provided some interesting glimpses into the huge amounts of wealth the NBA has nissioner confirmed that years.

# NEW YORK—The federal Some Words From the Judge

NEW YORK -U.S. District Court Judge Kevin Duffy wielded a prickly verbal scepter at the hearing. To wit:

"Unless you want me meddling in your labor negotiations."

you should go out and get it fixed now."

Speaking to Frank Rothman, one of the league's lawyers, who unsuccessfully defended the National Football League in its antitrust fight against the United States Football League: "Do

you want to spend two and a half years on this, like the last one?"
"Your honor, I lost \$1," Rothman replied, referring to the fact that the jury awarded the USFL damages of only \$1.

"And all the attorney's fees—not a small matter." Duffy said.

• Asking about the league's motives in seeking a judgment that the labor dispute was not an antitrust matter: "Why not let it so to

collective bargaining? "I wanted to, but we were threatened with antitrust litigation." Rothman said. "We brought declaratory action . . ."

"To diddle around for two and a half years," Duffy interjected. You'd like the judge of the court to become czar of the NBA?" "You'd like the judge of the court to become can or the NBA of William Landes, an economic expert called by the NBA Players' Association, when his background revealed no testimony "Step down!" or writings about sports: "Step down!"

one-time \$10 million bonus in

Wilkins, a free agent, took the stand to complain that the salary cap prevents him from being able to join the team of his choice. But under cross examination by league attorneys, he did admit to doing quite nicely under the current system. His salary has grown from \$400,000 in his rookie season to \$3.5 million last season. He also confirmed that the Los Angeles Clippers had offered him a twoyear, \$8-million deal. Wilkins has called that offer insulting.

'Likewise, Portland's Buck Williams admitted he made \$4.7 million last season and that he had already signed up for salaries of \$3.2 million next season and \$3.4 million in 1995-96.

"I'm not going to sit here and say the players have not done well financially," Williams said. "I want the right to live where I want to live and play for the coach I want to play for."

Manning signed for \$10.5 million over five years in his rockie season and turned down a five-year, \$25-million offer from the Clippers a year ago.

When he pointed out that he couldn't join certain teams be-cause the salary cap made only a few large slots available, he listened as an NBA attorney started listing the available slots: Atlanta, \$35 million over seven years; Boston, \$37.5 million over seven years; Cleveenjoyed the last decade. The land, \$37.8 million over seven

his salary was \$3.5 million per The players are arguing that a year and that he had received a system without restrictions wouldn't harm the competitive balance of the game, that the rich teams wouldn't get all the good players and that there-wouldn't be chaos. The league

is saying almost the opposite. Still, there's no question both sides have done well since the salary cap/revenue sharing system was agreed to in 1983. In 1982-83, the last season before the cap, players made \$79.6 million in salaries and benefits. Last season, they made about \$535 million.

The average salary has gone from \$260,000 to \$1.56 million over that same period.

#### Rockets' Rudy Lit, Police Say

WEST UNIVERSITY, Texas — Rudy Tomjanovich, coach of the NBA champion Houston Rockcts, was arrested and jailed Wednesday morning for drunken driving. He refused a sobriety test

at the scene, and at the West University jail refused to take a breath test. Emerging from the jail at 9:45 A.M. after posting \$500 bail, he said: What we have here is a difference of opinion." The jail is about a mile from The Summitt arena where the

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(Continued From Page 3)

ROTTERDAM WHITE'S

prison for his role in the attack on figure skater Nancy Kerngan.

District Attorney Michael Schrunk asked Donald Londer, the

presiding circuit judge for Multnomah County, to sentence Gil-

looly to a year in prison because of his extraordinary cooperation.

with investigators. But Londer, while citing the seriousness of the

offense, also said Gillooly was the "primary moving force which

Kari Wendlinger, the Austrian driver who lay in a coma for more than three weeks after a spectacular crash in Monaco in

May, said Wednesday said he wanted to return to Formula One

Lennox Lewis's next defense of his WBC heavyweight title.

against mandatory challenger Oliver McCall of the United States,

has been set for Sept. 24 in London's Wembley Arena. (Reuters)

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4, Povel Tonkey, Russita, Lompra, 1:26; 7, Piotr Urgrussov, Lotvin, Gentin, 1:36; 2. Emrico Zoine, Hoty, Gentin, 1:36; 3. Roberto Cooti, Hoty, Lucupea, 1:46; 18, Loudelino Cobine, Spoin, Keirne, 1:38.

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Spoin, Seresto, 3) hours, 47 minutes 25 seconds; 2. Tony Ropologer, Switzerland, Mapel, 4 minutes, 47 seconds belified; 3. Artmand De Los Courds, Pronce. Castorium, 5:30; 4. Piotr Licerussov, Lohvis, Gewiss, 8:32; 5. Lie Lublanc, France. Festino, 8; 25.

to Storce Rife, Denmork, Genter, 8:59; 7, Hankes Borteland, Holy, Mapel, 7:14; 6,

BUFFALO-Bond Anthony Abrums, de-lensive tockle; Filard Johnson, detensive bock; and Sam Regard, Brebecker, of MIRAMA, wide receiver, of verifiers from Dollas, Walved Alika Ballomy, wide receiver. HIDITAHAPOLIS-Signed Donner Webts and Leonord Humpirries, detensive backs, KANSAS CITY—Actual William Willia, Soley, from Defruit for conditional double.

LOS ANGELES RAIDERS—Agreed to

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Rockets play.

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BUTLER-Morned Joe Fronklin women's track and cross-country chack.
COLGATE-Normal V. Martin Scarona associate athiel ic director, CORNELL-Normal

# SPORTS WORLD CUP

# FIFA's Cracked Its Whip, Now It Must Assess What It Has Wrought

OS ANGELES — Humor and life's small ironies are probably lost on Mauro Tassotti right now. But as the Italian defender sits out the last days of the World Cup, banned for eight matches for elbowing Spain's Luis Enrique in the face, it might occur to him that he lists Ernest Hemingway's "A

Parewell to Arms" as his preferred reading matter: One never knows about players and their declared likes and dislikes.

Tassotti's claim to litcrary taste appeared in brief biographical notes from the Italian

federation's press office, notes in which Italy's idols were obviously encouraged to say something in praise of U.S. cult figures.

However, Tassotti may not have time for reading anything but the revised FIFA rule book. He protests that he has been victimized, made a scapegoat of soccer's draconian crackdown at this tournament. Certainly Tassotti has been harshly punished. His eight match suspension, and fine of 20,000 Swiss francs (\$15,000), effectively ends the international career of a defender of 34 years of age

His case is unprecedented. FIFA, with keen, technological sight, used video tape to judge the A.C. Milan right back guilty of an offense missed by the

referce's report," said FIFA's spokesman, Andreas

Herren. "It was all up to the tape."

The tape convinced FIFA's disciplinary committee that Tassotti was guilty of "intentional serious violent conduct." In the committee rooms in Dallas, if not in the often inconsistent eye of the Hungarian match referee Sandor Puhl, Tassotti had deliberately used his elbow to break the Enrique's nosc.

The Italians protested, of course. Said Raffaele Ramicci, chairman of the Italian technical committee, "Since not any of the four officials at the match saw anything, we took it for granted nothing would be done. Fifa told us they decided to look at the video after a report based on a fifth official in the stadium to supervise the others."

Wow! Big brother, indeed. But the warning had been spelt out earlier by Sepp Blatter, FIFA's zealous chief executive, who had said that video would be used to catch the villains, and absolve the innocen

Any student of World Cap football will know the reason for this. Remember 1982, remember the bodily assault by which Germany's goalkeeper, Har-old Schumacher, took out France's Patrik Battiston. Remember that Schumacher went unpunished, that the blood pouring from Battiston's busted mouth, the pain of his wired and broken jaw, became a

Enough, said FIFA. Enough, said Blatter in particular. We cannot promote the sport, cannot give creators the freedom to express while condoming common assault disguised as a legitimate tackle.

The Brazilian defender Leonardo was suspended four games for elbowing Tab Ramos of the United States in the temple. Tassotu's punishment was doubled because there was not, as in the Leonardo-Ramos case, a provocative foul by the injured player.

"Mine was not a voluntary foul," Tassotti insisted before the FIFA judgment. "We were pushing each other to control a high ball, we both elbowed. I did not realize I had hit him on the nose. I tried to apologize to him on the field, but he was furious."

Furious is not the word. Luis Enrique was livid. his nose ran red with blood. The Spaniards railed at the injustice because, if the foul was as intentional as FIFA now says, it should have been a penalty and Spain might not now be out of the World Cup.

There lies the crux of another matter. FIFA, by admitting video evidence to determine guilt on the field but clinging to the view that the referee's decision is inviolate as far as the match result goes, has prepared the path to instant replay on the field. There is no alternative now. Those of us who felt that referees were human, and to be human is to err, have lost our case resisting technological intervention. But if the cameras are to incriminate, they must

FIFA's finding is that Italy cheated Spain out of the World Cup, but that nothing can right that wrong, only retribution can be wrought against the perpe-

Yet new technology is neither foolproof or quick, or simple. FIFA's disciplinary minds apparently took an hour to review and review again the moving images of Tassotti versus Luis Enrique, Which was not surprising: The television pictures seen around the globe proved nothing. We saw the two men run together, small figures on a long shot on the left corner of our screens.

Obviously there was contact. Over four or five strides they appeared to jostle, Enrique at the back of Tassotti, before the Spaniard suddenly jerked away and fell dramatically. Having seen, two hours previously, Jürgen Klinsmann of Germany perform his dying swan act to con yet another penalty out of a referee in the match against Bulgaria, one won-

One assumes FIFA had another view, another camera angle. One trusts it has a cast-iron case and that Tassotti's appeal will come to nothing.

For him, a farewell to arms indeed. For dozens of players at this World Cup, FIFA's determination to cleanse the sport of persistent foul play must, surely, come as a punch on the nose. If they do not know it

also be used to serve justice. The implication of by now they are idiots: FIFA is on a crash course. cracking down on players who have grown up, indeed been coached, with the ethos that foul play is

> Without doubt, the fear that has settled on defenders has made for more attacking flair. It has not raised the standard of soccer, but it has freed those who can create, and has undoubtedly made this the most entertaining World Cup since 1970.

Nevertheless, that 11 players, half those taking the field to start the Bulgaria-Italy semifinal, did so in fear of a second yellow card, and thus automatic suspension from the final, takes away some competitive element from this contact sport.

FIFA has boldly gone where no sports officials before dared. It must now assess and reassess its anthoritarian achievement. It began with Blatter's personal crusade against thugs and cheats, and like the former Swiss Army colonel that he is, he accelerated the advance once he saw how easily the enemy

Fine. But now, Mr. Blatter, please slow down. Talk to the players, talk to the coaches, the arbiters. Try to reason with them. Tell them there will be no backsliding, but that authority recognizes that everyone is in this together.

Search for accord. For a farewell to arms.





The flora at the hotel in Fullerton, California, was no match for the Brazilian photographers stalking their national team's soccer players. They managed to bag dramatic shots of Branco, left, Romário and Dunga drinking their morning coffee.

# From Trendy to Tacky, Cup Souvenirs Abound

By Norman Chad
Las Angeles Times Service

LOS ANGELES - In our continuing informational series entitled, "This Is America: I Hope You Brought Money," we poke our roving World Cup cameras into that most American of monetary institutions, The Mall. For it is at The Mall that we find out precisely why the world has come to Los Angeles these past few weeks — not for soccer, but for pins, pendants, posters, paperweights and, of course, Peter

At The Mall we find stores that did not even exist several weeks ago and won't exist several weeks from now, but at this very moment are doing a brisk business in World Cup wastebasket backboards (\$7.95). It's good old American ingenuity," said

Melvin Galloway, manager of retail operations at The Soccer Experience in Beverly Center. "This is just a bunch of Americans getting in here, making a buck and getting "I met people from all 24 countries with-

in the first month of opening our doors," said Steve Cross, owner of Plaza Pasadena's World Soccer Store, which opened April 1 and will close Aug. 1. "It's been steady business. There appears to be a simple formula to track the spending habits of foreign visi-tors and foreign-born Los Angeles resi-

You win, you buy, you lose, you cry.
"Whenever a team is in town, their sales
go through the roof," Galloway said. "And
if they win a game, forget it — everything

Meanwhile, there also appears to be a simple formula to track the spending habits of generic soccer fans and casual, local

mall rats: You got it, I'll get it.

"All of our product is moving." Galloway said. "There are no dogs." (Unless he has those soccer-playing dogs on velvet.) Thus, the following items can bought at

The Mall: World Cup coffee mug (\$11.50). World Cup fabric wallet (\$5.95). World Cup money clip (\$39.95). World Cup sterling silver culf links (\$59). World Cup gold watch (\$179). World Cup shin and ankle gnard (\$16).

World Cup temporary tattoo (\$4.50). And now for the big-ticket item, ladies and gentlemen:

World Cup full-leather country jacket, Jeff Hamilton-designed, hand-stitched in Les Angeles, 100 percent lambskin (\$900). Now, these are all practical items, but there is some merchandise that we have to recommend against:

Pins. What's the deal with this pin craze the past 10 years? They're just pins, for crying out loud. (Obviously, the public disagrees. Cross does 10 percent of his business on pins. "It's a \$5 souvenir," he explained. "It packs easy and you don't have to worry about sizes." Yeah, well, if that's all it takes, how come shoelace sales aren't booming?)

### People buy pins, trade pins, collect pins and, ultimately, stick themselves with pins. So many pins, so few shirts and coats. There are subsets of pins —city pins, team pins, country pins, even McDonald's pins.

every day for a month. Peter Max. What, his 15 years of fame aren't up yet? It's just schlock art, for crying out loud. (Obviously, the public disagrees. "All my Peter Max stuff sells plenty," Galloway said, "The posters, the T-shirts, it's all popular," Yeah, well, not to burst any cold-water bubbles here, but that fancy schmancy soccer design on all those Peter Max T-shirts — how's that

It's kind of hard to collect them all, unless

you don't mind eating Egg McMuffins

baby going to hold up after going through the laundry? After three washings, it'll just look like a Rorschach test.) Here's a tip-off on the quality of his work: The poster from the "Peter Max collection" sells for \$60 framed or \$14 unframed. That means the frame is worth three times as much as the art, so how good can this guy be? (And why is he always referred to as "Peter Max?" Well, all right, sometimes it's "pop artist Peter Max." But it's never just "Max."

• Neckties. People, people, people — there is absolutely no way any World Cup necktie looks good tied around anyone's neck. Case closed. (Obviously, the public disagrees. Our World Cup cameras spotted an otherwise respectable-looking, middleaged man at Farmers Market last week earing a necktie featuring the likeness of Roberto Baggio. Folks - and we shouldn't have to say this more than once when you buy a fine Italian silk tie, it does not have to have an Italian on it.)

Actually, the best buy might be the Tshirts that provide information about each World Cup country. For \$16.95, the front of the T-shirt includes capital, population, language, area, currency, continent and precise geographical location of the country in question. (Saudi Arabia: 24 deg. N. lat., 46 deg. E. long.)

Of course, this won't help you find your car when you're done at The Mall, but it will give you some sense of direction along with your World Cup compass (\$8.50) — when you finally manage to

# Brazil's Progress Ratchets Up Media Feeding Frenzy

By Johnette Howard

Washington Part Service
FULLERTON, California — The Brazilian journalists were everywhere. They ringed the windowed walls of the hotel's lobby restaurant. The camera shutters. fired, the lights were blinding. Several TV cameramen were filming with their lenses pressed flat against the window glass.

Four more reporters leaned over a waisthigh wall topped with tropical plants, pushed aside the potted palms, and strained in to eavesdrop on whatever Brazilian stars Branco, Dimga and Romário

said as they are breakfast. Romário smirked. Branco was impas-

sive. One of the reporters whispered a live radio report into a cellular phone, breath-lessly relaying that Dunga was here and gasp! - having his morning coffee.

If the pressure, the excitement, the melodramatic scrutiny around Brazil's national team was high before, it's been racheted up ten-fold now that Brazil was to face Sweden in Wednesday's World Cup semilinal. Carlos Alberto Parreira, the coach of

Brazil, wore a bemused look when he appeared to talk to reporters Wednesday. Nearly 500 Brazilian media are here and one newspaper is devoting 28 pages a day to World Cup coverage.

The same countrymen who flog Parreira

almost daily in newspaper sports sections immediately abandoned their restaurant watch of Dunga, Branco and Romario and were tripping over themselves to follow Parreira and his knot of security guards to a patio table outside the team's hotel,

where Parreira had this to say: There will be no more lineup changes. Brazil must be wary of Sweden's long-

And: "It is not the finals yet. It is not for the championship. Only in the final can

you begin to dream." When asked how he handles the relentless scrutiny, Parreira's stock answer is in Brazil seem to believe that the only one who doesn't know what's best for Brazil is the Brazilian national team coach. "Maybe FIFA should allow Brazil to

team is great fun - but not until you win

Early in the tournament, Parreira smiled

wanly when asked why 150 million people

the world championship.

play with six teams," Parreira said. "We might please half the people. Otherwise, there's no solution. One team should be attacking. One should play defensive. Another creative. One could be a fantasy team. To please everybody with just one that being coach of the Brazilian national team, it can't be done.

# Cup Spurs Memories for Pelé

By Alex Yannis New York Times Service

PASADENA, California -- Pelè sounded nostalgic as he recalled Brazil's clash with Sweden nine World Cups ago, a match in another decade, another country. The year was 1958, and the place was Sweden, where Brazil met the host coun-

try's national team in the final. That was the year the entire world dis-covered and embraced Edson Arantes do Nascimento as Pelé, its soccer son. It was the year Pelé, at 17, broke into world prominence, leading Brazil to its first of

three World Cup titles. Pelé scored two goals in Brazil's 5-2 triumph over Sweden in that championship game.

wanted to talk to my parents in Brazil, but I couldn't do it because communi-cation was not good in those days," Pelé recalled Tuesday, feeling anew the excitement that kept him up all night after the

game. They told me I had to wait until the next day to call, but I was so emotional I didn't sleep that night."

Pelé had made his World Cup bow that year against the Soviet Union in a firstround match, and he said that he identified with Ronaldo, the 17-year-old on Brazil's 1994 team who has not been used yet in this year's tournament.
"I feel for Ronaldo," Pele said, "I know.

how he feels because I didn't play until the third game in 1958."

Pele wasn't noticed against the Soviets.
but he was when he scored the only goal in Brazil's 1-0 triumph over Wales in the quarterfinals. That first goal I scored in the tourna-

ment is also the thing I remember the most because we qualified for the next round."

Pelé said. The world probably better remembers the three goals he scored in 20 minutes in the 5-2 semifinal triumph over France.

# Brazil's Zagalo Has Seen it All

LOS ANGELES - Mario Zagalo, the assistant coach for Brazil, said he was hoping Sweden would be as generous in Wednesday's semifinal as it was in 1958 when the two sides met in the final.

Zagalo scored one of the goals as the Brazilians beat the host country, 5-2, to record the first of their three World Cup triumphs.

"The night before the match it poured with rain," Zagalo recalled. "But the Swedes made a huge effort to clear the pitch of water, even though they knew that they would benefit from playing us on a soaked vitch.

"It was a gesture I will never forget. Since then I have always been grateful to the Swedish people for this gesture."

Zagalo has a remarkable track record, having been involved in all of Brazil's previous World Cup wins.

He played in all six games of the team's successful 1958 campaign, scoring in the final, and all six marches in 1962, when

Brazil retained the trophy. When Brazil won for the third time in

when Brazil went out in the second round. Still, there has been the criticism.

"In 1958, we started out with a classic 4-2-4 which became 4-3-3 and they were already saying I was messing up the left winger's role," he said. "Afterwards they discovered that in reality I was ahead of ,

"Before the 1970 competition they said that I was mad, that I was stupid, that I

was going back to 1958. "Yet we won the Cup and we scored ... more goals than any other team and let in

The criticism "hasn't changed," Zagalo said. "It's just that there are more people. We had 90 million people in Brazil in 1970. Today we have 150 million.

"There were 90 million would-be coaches in 1970 against 150 million today."

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# **WORLD CUP WRAP-UP**

Compiled by Our Stoff From Dispatches

Luis Enrique, the Spanish forward whose nose was broken by Manro Tassotti during a quarterfinal match, on Wednesday joined the criticism of the Italian de-

(ender's eight-match ban. Enrique, quoted in several Spanish newspapers, called the punishment "excessive" and said he would have been satisfied

with an apology. The Italians are appealing the eight-game suspension, which would force Tassorti to also miss games in the coming European championships.

 Goal scoring keeps going up. After the first round there were 94 goals in 36 matches, for an average of 2.61 per game. Twenty-five more goals in the second round increased the average to 2.70, and 15 more in the quarterfinals has the current average for the tournament at 2.79.

The 134 goals scored even before the semifinals topped the totals for the last two World Cups: 115 in 1990 and 132 in 1986.

Sections of the temporary grass field at Giants Stadium in New Jersey go on sale

Thursday for \$10 to \$20 a square foot, depending on the size of the order. The grass, which was placed over the

Carlos Alberto Parreira, Brazil's coach, faced a crush of reporters in Fullerton.

regular artificial surface and several layers of soil and plywood, was to be removed two hours after the Italy-Bulgaria semifinal so a temporary stage can be built for a Pink Floyd rock concert this weekend. The grass was specifically grown for hot,

summer weather, meaning it will start to turn brown about September. And, if you buy, you must carry it away — immediately.

1970, Zagalo, capped 33 times, was coach. His only failure as coach came in 1974, (Reuters, LAT, AP)

By Mike Zwerin
International Herald Tribune

DARIS - The time when musicians built a reputation by blowing a bunch of choruses of some-

body else's tunes are basically over. Personalities are

now based on original material. Ironically, the Bea-

tles had a lot to do with that. However, true originality is in short supply. Worse, it's not really wanted.

The lost chords have all been found. All the vamps

have been vamped. Free Jazz has been tamed. How

many new sounds can be left? There are those who

reply, "as many as human beings." But the scale is tempered, all horns have mouthpieces, keyboards

have keys. We are limited by our tools, and imagina-

tion is not exactly being encouraged. New is consid-

ered old-hat and fresh is stale, a combination of not

much new left to play and the music business not tolerating the unfamiliar. We live in the age of the

sequel. Something new should preferably be bor-

You are rarely able to identify a contemporary

improviser by hearing a few bars, as with Django Reinhardt and Ben Webster and the stylists of yore.

John Scofield is one of the few with a franchise

sound today. This premier guitar player is now touring Europe with Pat Metheny, another one. "Playing other peoples' tunes is still fun," Scofield

says. "But it's no longer enough. When Louis Armstrong or Charlie Parker improvised, that was

enough. Improvisation itself was enough. Just doing

it was new. Not any more. There have been too many stylists. It's played out."

a keyboard about as far as possible using a 12-tone

scale, at least nobody else has taken it significantly further. Tony Williams and Jack DeJohnette

stretched time across bar lines to practical limits (Denis Chambers, an exception, is still building on it). Scott La Faro turned the bass fiddle into a

melodic instrument 30 years ago, and later ditto Jaco Pastorius with the bass guitar. The rest has

been addenda and finesse. Joe Zawinul found a

personal sound on synthesizer but who has done it

since? All young saxophone players feel somehow obliged to play like Michael Brecker. Exceptions, of

course, prove the rule, but there are less and less of them. The best young players, particularly the best paid, are considered to be those who are the best at

Young musicians today appear to have forgotten

the sage advice of the past master who said: "If you're going to sound like somebody else, make sure

they played a different instrument than you do."

Cloning is no accident, it is the objective. "He sounds just like . . ." is a compliment, certainly from record companies. With the help of electronic gizmos, a sense of history, an inquiring mind and an

adventurous spirit, Scofield has combined the rock

"Sometimes I think jazz was just an idea," Sco-

textures of Jimi Hendrix with the harmonic implica-

field said. "Wow! Let's improvise!" That was really radical, to compose in public. To improvise as the

tions of John Coltrane. You know who it is.

imitating an ancestor.

Herbie Hancock took harmonic sophistication on

INTERNATIONAL HERALD TRIBUNE, THURSDAY, JULY 14, 1994

ART BUCHWALD

Disneyland, D.C.

WASHINGTON — The and you would go down in a second battle of Manassas pork barrel until you reached

is now being waged between the bottom, where you could

Walt Disney and Civil War swim in a shark pool filled with

"Who would you put in the White House?" I asked.

one who worked there would be

Minnie would come out and

have their pictures taken. Don-

ald Duck would be their

spokesperson and he'd explain

what they really meant to say."

kids to learn about our history.'

I told Joe.

nassas ground, Joe Skalet has a of the park would take place

"It's such an opportunity for

"One of the main attractions

when it gets dark. Disney engi-

neers have already figured out a

way to put rockets on the Washington Monument, and every

15 minutes they could make it

roar into space.

This attraction, by the way, would be free and included in

the price of a ticket," Joe ex-

for everybody. We are hoping to sign up Ollie North to sit in a

swing where people could throw softballs at him, and if

they hit him he would be fall

"Another attraction would

be a giant wheel with 20 num-

bers on it. For \$1, visitors

would bet on a number and if

they won, they could take home

a stuffed toy in the likeness of a

"Would you consider having Beauty and the Beast?" I asked

He replied, "I hope so. We

"Who would play Beauty?"
"Anybody on the Hill he

Joe told me that he didn't

think Disney would have any

problem getting the park off the ground. We would run a clean

place where even Snow White

and the Seven Dwarfs would

**WEATHER** 

Forecast for Friday through Sunday, as provided by Accu-Weather.

feel right at home.

could get Packwood to play the

Supreme Court justice."

chooses.

into a large tank of water.

"There would be something

required to wear mouse ears.

"Mickey and Minnie. Every-

Every hour Mickey and

buffs of Virginia. The Disney Washington lawyers."

Buchwald

corporation wants to build a

giant theme park devoted to

people to take

LO

build its park on hallowed Ma-

The company should move the park to Washington, D.C., which has been called Disney World North for some time

"Opening in Washington in-

"The Capitol could be re-

named 'The Magic Mountain.'

There could be a magic show in which billions of dollars would

disappear before the public's

eves. Elected officials could

moonlight as clowns, and lob-

byists, dressed as pirates, would

sink legislation not to their lik-

"The dome of the Capitol

would feature a 'Slide for Life'

Paris American Center

PARIS - Marie-Claude

Beaud, director and artistic

manager of the Cartier Founda-

tion for Contemporary Art, was

appointed Wednesday to head

the newly opened American

The 48-year-old Frenchwom-

an will take over the center as

executive director Sept. 1.

Names New Director

stead of Manassas would save

the Disney company millions of dollars because all the fantasy is

American his-

tory. The his-

torians want

the Disney

Mouse idea

else. If, for some

reason, Disney

can't get per-

now," he told me.

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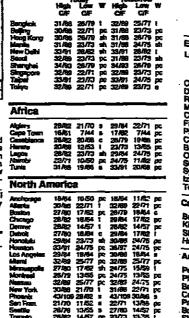
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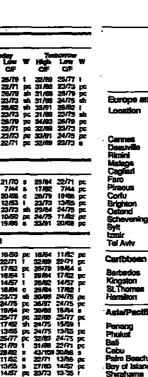
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The Sound Franchise of John Scofield

Guitarist Scofield detests all the clones of jazz.

center of the music. It made sense once but maybe now it's going to slow down. Why should we expect a new movement every five years? There will continue to be guys who can play, but no movements. At least until something else comes along and then maybe it won't be called jazz."

Young Scofield listened to Ricky Nelson and the

Kingston Trio. There were no teachers in Wilton, Connecticut, so he taught himself. He listened to the blues and to Charlie Christian. It was the early were black. Which was a compliment. But I have 1960s, guitar playing was becoming a major macho pose, like siam-dunking. It was also more than pose, the guitar overtook the saxophone as the voice of the

20th century. But jazz on the instrument was rare 20 years ago and so when Scofield and Metheny met in Boston they found they had a lot in common. They

hooked up as often as possible.
"I Can See Your House From Here" (Blue Note), their first (co-billed) album together has recently been released. I hate to say this because it's not really his fault but Pat Metheny has had too many clones and it has become difficult to distinguish his play. He and Scofield sound like two great guitar players but you are often not sure who:

Scoffield has earned a contract with a multinational record company, a house in the country and two cars. He has two children and his wife, Susan, is his manager (a key element in a successful jazz career). His career has "never been better." His songs earn royalties, he works as often as he wants, he has been on the Tonight show and he gets interviewed a lot. A New York Times reporter recently asked him why the guys he plays with are so often white. He did not like that question and was not terribly

happy when I repeated it. But it has occurred to me that one reason for the sterility of the moment may be the de facto segregation of the scene. Years ago, when racism was institutionalized, there was more integrated jamming and even performing than to-day. When I drove from Coral Gables into Miami's black ghetto late at night to sit in with Blue Mitchell playing with Sam Jones and His Hariem Square Syncopaters and the police threw me out, all of us, black and white, felt equally alienated. We were all devout beboppers, members of the same cult. Racial mixture is always creatively positive in my opinion and it can be argued that Miles Davis's originality began to taper off after he separated from his two white "hippie" guitar players, Mike Stern and Sco-

"I hate to count black and white," Scofield said. "But I just played with Joe Henderson and Al Foster, I play with them a lot. Color is not a factor in my life. It's a factor when a black man won't hire a white musician because of peer pressure, or a white leader is scared of hiring a black sideman because he feels personally uneasy with him.

"It's a drag when a musician won't play or write what he really wants to hear because he thinks he has to identify himself as something or other for commercial reasons. I've often asked myself, 'Am I trying to play black? No. I'm not. I'm just trying to play the music I love. Still, you think about that a binesman, I grew up with the blues, I live the blues, I drink the blues. . . . That's really offensive. I asked Scofield if you could tell he was white just

"You might say this guy has a little classical influence and a little ECM so he's probably white. white players who sort of Uncle Tom it up, I hate black players who do that too. You can always tell

WEEKEND DESTINATIONS

And Now, the O.J. Story Seen by Joe McGinniss

he has sold the writer's new book — about the O.J. Shapeon case — plus another, funce book to Crown Publishers for a seven-figure advance. But it wasn't easy. Morton Janklow reportedly has been hunting for a publisher for several weeks. It was tricky because of the sale oct's saturation in the media and because of the disastrous 1993 publication of McGin. niss's pseudo-biography of Senator Edward M. Kennedy. Crown said the book not only examines the Simpson case, but explores modern-day heroes and the power of the media ore 🔟 ing ing

Record stores around the world threw parties until the wee hours as Rolling Stones faus gathered to buy the band's latest album, "Voodoo Lounge," the Stones first studio album since 1989's "Steel Wheels." 

A proud Texas researcher Michael Wiederhold, accepted congratulations when the news came down that he was the proud midwife of the first new born in space, aboard the space shuttle Columbia. □-

Thousands of fans packed Times Square as Baibea Street sand's final New York concer was simulcast on a gant value screen. "Nowhere on this tour have I been so warmly welcomed as in the greatest city in the world, my hometown!" she said from the stage at Madison Square Garden.

Glenn Close, heading for Broadway this fall to star in "Sunset Boulevard," will first shoot a telefilm based on the story of Margarethe Cammer-meyer, the U.S. Army nurse who was discharged for being a lesbian after 30 years of service Cammermeyer was reinstate after a two-year court battle.

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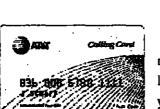
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